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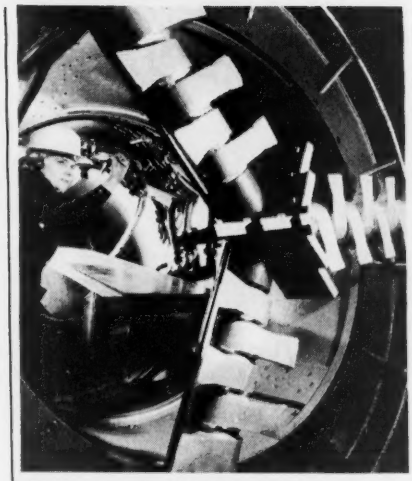
Trade and Industry

29 June 1979

Weekly news magazine of the Departments of Industry and Trade



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This week

EEC commission to look at budget transfers 566
Motor component makers must seize US market – Parkinson 566
Report on British film industry published 566
Microprocessors means to an end – Mitchell 566
Adult jobless total falls 567
US companies boost Scottish exports 567
Rate and size of price increases up – commission 567
Safety theme at Eurocatch '79 567
. . . and fishermen's radio open line extended 567
Economic indicators at a glance 568

Home news

Employment transfer scheme to be concentrated in areas of greatest need 570
Industry ministers in the regions 570
Proposals for change in labour law 570
Employee participation cannot be imposed – Prior 572
Improved climate for small firms – Mitchell 572
Companies bill published 572
Monopoly reference given new deadline 572
Merger proposals cleared 572
Annual report of Office of Fair Trading 572
Changes to toy safety regulations 574
Airports design exhibition 574
MSC funds training for organisation consultants 574
Liferafts – warning to yachtsmen 574
No second runway at Gatwick 574
Fishing vessel survey fees rise 574
Assignment of offshore oil licence rights 574
New regional coastguard HQ at Greenock 574

New publications 575

Technology news

UK group proposes technology centre for the Gulf 576
Giant air-gun fires missiles at reactor shields 576
Making workshops quiet 576
International discussion of computing standards 577

New products 577

Parliament 579

Overseas trade news

Counter trade 'a fact of life' – Parkinson 581
China seeks advice on developing tourism 581
UK-Norway tax talks to start 582
Minister meets Egypt joint commission leader 582
OECD report points to benefits of third world trade 582
Second Cardiff mission to Saudi Arabia 582
Co-operation in third country construction projects 583
Disclosure of import information 583
ECGD backs £2.5m line of credit for Sweden 583
Notice to importers
1744: imports of wool tops from Argentina 583

Market report: Egypt 584

Exhibitions

UK builds up business in Japanese construction market 586
Encouraging level of business at Poznan 586

Country data

Australia 587, Canada 587, Finland 587, France 587, Guinea 587, Indonesia 587, Iraq 587, Kenya 587, Republic of (South) Korea 587, Lebanon 588, Netherlands 588, New Zealand 588, Qatar 588, South Africa 588, Turkey 589, United States 589

European community news

Move back to coal, energy meetings told 590
Green pound devaluation agreed by EEC ministers 590
Anti-dumping investigation begun into acrylic fibres 590
UK to adopt directive on aircraft noise 591
. . . and commission agrees air transport programme 591
Alleged dumping of iron and steel products 591
Directive introduces notification scheme for dangerous substances 592
Anti-dumping/anti-subsidies investigation closed 592
New EEC documents 592

Statistics

The economy: selected indicators 593
Current account of the United Kingdom balance of payments: May 594
Import penetration: UK manufacturers' overseas trade performance in 1978 600
Investments by insurance companies and private sector pension funds: first quarter 602
Private enterprise house building: March inquiry 603
Motor vehicle production in May 604
Engineering industries: indices of production up to March 605
Average earnings in April and rates of wages in May 606
Hosiery and other knitted goods: index of production in April 606
Production of man-made fibres in April 606
Wool textile industry: output in March 607
Gdp rises 3 per cent in 12 months 607
Cotton industry production in April 607
Footwear industry: orders, deliveries and stocks in March 608
Wholesale textile houses: sales and stocks in April 608
Release dates of economic statistics in July 609
The British Film Fund (Eady levy) distribution 610
Patents recorded 'licences of right' 611
Registrations of British, community and foreign films 611
Index to statistics 611

Readers' reply service 612

Scottish new towns Special report centre pages

Trade and Industry this week

EUROPE

EEC commission to look at budget transfers

Agreement to tackle the 'inequitably high contribution that Britain at present makes to the European budget' was reached at the European council' Prime Minister Margaret Thatcher told parliament on Tuesday.

Reporting on the council meeting held in Strasbourg on 21 and 22 June she said that she had made the UK's dissatisfaction with the results of the present system very plain.

The European council had called for action by the EEC commission to assess the facts about how the budget transfers were likely to affect each member state in 1979 and 1980 and whether, and how, the 1975 financial mechanism intended to reduce the UK's contribution would work.

Mrs Thatcher said that the commission's report would go first to finance ministers who would have the opportunity to put forward practical ideas to solve the problem.

Taking those views into account, the commission had been asked to formulate proposals in time for decisions to be taken at the next meeting of the European council in November in Dublin.

On energy and the oil shortage, Mrs Thatcher said the heads of government agreed to re-inforce efforts to reduce the consumption of oil and to achieve the objectives the community had set itself. Emphasis was also placed on the part that alternative sources of energy had to play – nuclear power and coal in particular. The council recognised the need for consumer and producer countries to work together to reduce demand and increase supply. And, she said, the council made clear the readiness of the community and member states to establish contacts with producer countries to that end.

Tokyo summit

The council had in mind the Tokyo economic summit meeting and considered that by showing that the community was ready to shoulder its own responsibilities, it would be in a good position to call on other industrialised countries to make comparable efforts to reduce oil consumption and imports. The council agreed, Mrs Thatcher said, that higher oil prices would adversely affect the outlook for growth, though prices would only steady if demand and supply balanced.

Other matters discussed were, she said, the early operations of the European monetary systems, refugees from Vietnam and the first direct elections to the European parliament.

HOME

Report on British film industry published

The service sector of the British film industry is flourishing, albeit on a film-by-film, rather than on a permanent basis, but the production of original, independent British films is not.

This view is expressed by the Interim Action Committee on the Film Industry in its second report, published by the Department of Trade on Thursday.

The report, 'The financing of the British film industry', points out that too few British film companies invest in film production and gives credit to those which do – including ACC, EMI and Rank. The report suggests that there is no shortage of finance as such but that investors are attracted by films with an international, and thus expensive, flavour, relying on successful distribution in the United States. Indigenous films which rely on the UK market are not attractive to investors, it points out.

The report does not advocate any further injection of public money and suggests that the solution lies in tax incentives.

The committee, chaired by Sir Harold Wilson, recommends that the Eady levy should in future be distributed on an automatic basis; that the British Film Authority should be given wide discretion to distribute the remainder of the Eady revenue for a number of specific purposes; that films exploiting sex or violence should be excluded from automatic Eady payments; and that there should be a limit on the amount any one film may receive from the fund.

OVERSEAS

Motor component makers must seize US market – Parkinson

Good export opportunities for the UK are opening up in the motor components market in the United States because of speed of change being imposed on the American vehicle industry. Addressing the Society of Motor Manufacturers and Traders in Birmingham on Monday, trade minister Cecil Parkinson said, 'British component makers must seize the opportunities very quickly as they will not exist for very long.'

Mr Parkinson said that the changes stemmed from the recognition that environmental factors could greatly influence social attitudes towards vehicles and the pressures arising from the world energy situation. These two influences were producing technical developments in vehicles in the United States at a rate unprecedented in the industry.

The change was so rapid that virtually all the capital resources being generated by the United States industry would be needed wholly by the vehicle assemblers for their own re-equipment. Little surplus capital would be available to invest in the manufacture of components. He said that British companies, with their great experience of making components of the types needed, were very well placed indeed to exploit this opening.

But there was a longer term threat, he pointed out. When the assembly industry in the United States had adapted to the new social environment, more capital resources would be available for investment in components. After that, given the size and stability of the American market, there could be little doubt that American manufacturers would be able to produce components very efficiently and very cheaply. These components would be equally suitable for use in European vehicles, and American companies would be able to challenge European component makers on their home territory.

Those companies which could establish themselves now as suppliers to the American vehicle assemblers would be much better able to resist this threat.

Microprocessors means to an end – Mitchell

Government is dedicated to creating a new climate for achieving efficiency and enterprise and the microprocessor revolution promises to be a major means towards this end. David Mitchell, Parliamentary Under-Secretary of State for Industry, made this point when he opened a conference on 'Microelectronics and computing in the construction industry' on 26 June.

The advance of microelectronics was in tune with present economic needs, he said. Confronted by higher energy and raw material prices, by general inflation and by relative stagnation in industrial production and world trade, microelectronic technology both on the production and application side pointed a way out.

Silicon was derived from the world's second most abundant natural resource. On the production side, rapid innovation led to more and more logic being built into smaller and smaller chips using less and less power and becoming more and more reliable. Costs tumbled and sales soared; demand exceeded supply and massive expansion in production facilities and jobs went on at breath-taking speed. On the user side, applications proliferated – some estimated that there were already 25 000 different industrial and commercial applications of microelectronic chips. Those applying microelectronics most effectively or imaginatively recorded substantial productivity gains within their operations and created new markets with new products.

Mr Mitchell said that the UK construction industry had a long history of achievement both at home and abroad and would be increasingly involved with the onward impact of microelectronics.

Adult jobless total falls

Unemployment figures for 14 June released by the Department of Employment on Tuesday show a decrease of 26 800 since 10 May – the lowest figure since June 1976.

The 1 279 600 unemployed on 14 June represented 5.3 per cent of all employees.

These figures, from the UK seasonally adjusted series, exclude school leavers.

Unemployment was down in all the English regions and in Scotland, Wales and Northern Ireland.

Notified vacancies in June numbered 262 400, seasonally adjusted – an increase of 5100 since May.

US companies boost Scottish exports

Over the past six years United States-owned companies in Scotland have been boosting Scotland's exports by an average of nearly £100 million a year. They have also nearly trebled both their investment in Scotland and their gross turnover.

These broad conclusions emerge from a report, 'United States investment in Scotland,' published on Tuesday, by the Scottish Council (Development and Industry).

The report, which was prepared by the council's research institute, measures the performance from 1972 to 1978 of the 161 manufacturing companies in Scotland which have parent companies in the United States. These companies currently employ 84,300 in Scotland – approximately 14 per cent of the total manufacturing workforce.

Although the report shows that the number of jobs in these companies has only increased by 1,700 (or approximately 2 per cent) since 1972, it describes as 'dramatic' the very significant increase in exports by them. These have risen over the six-year period from £289.4 million to £839.95 million. Discounting for inflation, this is an increase, in real terms, of 18 per cent.

Overseas investment in the Scottish new towns is dealt with in our special report this week (centre pages).

Rate and size of price increases up – commission

An increased rate and size of notifications of price increases by large enterprises and an upward movement in the Price Commission index between February and April are reviewed in the Price Commission's quarterly report, published on Tuesday.

The index was greatly influenced by the round of oil company notifications whose full effects would not be immediately felt in retail prices, the commission says.

The report points out that both the number of price increases notified by large manufacturing and service enterprises and the amount involved were larger than in any period since the new commission began in August 1977. The monthly average number of notifications rose to 426 from 348 in the previous period, while the amount notified was £793 million against £721 million in the previous quarter.

The increase in the commission index of notified prices over the six months to April, expressed as an annual rate, was 13.0 per cent. This was also the highest point since August 1977. The 12 months increase (which generally reacts more slowly to changes) was up to the levels of early last year. The official indices (the retail prices index and the wholesale price index) are now showing signs of a similar upward movement, the report points out.

The report also reviews the value of the commission's regional organisation and the exercise of its discretionary powers.

Price Commission report for the period 1 February to 30 April 1979 (HC 123, ISBN 0 10 212380 2) is available from HMSO, price £1.50.

Safety theme at Eurocatch '79

Safety of fishing vessels and the men who work in them is the theme of the Department of Trade's display at the Eurocatch '79 fisheries exhibition which opened in London at Olympia this week and will run until 1 July.

The Fishing Vessels (Safety Provisions) Rules were introduced by the department in 1975 to help safeguard UK fishing fleets by setting standards for new vessels. They also apply to existing vessels of 12 metres and over. The rules set high standards of building and operational practice, and cover all aspects of the safe construction of fishing vessels, and of navigational and safety equipment.

The Fishing Industry Safety Group, consisting of representatives of the department and the industry, was set up to help with the smooth implementation of the rules and the department has taken space at Eurocatch '79 to bring the rules to the attention of skippers and owners of fishing vessels.

The stand will be manned by surveyors drawn from the department's headquarters in London who will give details of the rules and advice on their implementation.

Informative literature – notably a 'Guide to the 1975 safety rules' (a simplified form of the rules), 'Fishermen and safety', and 'Personal survival at sea' will be freely available.

. . . and fishermen's radio open line extended

The area covered by the special radio communications channel for fishermen is to be extended to cover the southern part of the North Sea, it was announced by the Department of Trade on Monday.

On 1 July, Humber Radio will join the 'open line' service already provided by the Post Office coast radio stations at Wick, Stonehaven and Oban, providing an overnight radio watch on 2381 KHz. The service is paid for by the Department of Trade and is intended to facilitate regular communications with shore, particularly when difficulties develop or in the case of bad weather or other emergencies.

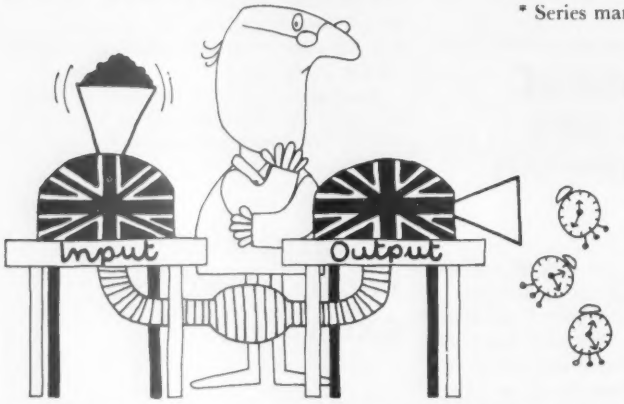
'And tell Mary there's no need to get the chip pan out tonight.'

The 'open line' operates between 1700 hours and 0900 hours for fishing vessels and the 2381 KHz channel does not replace the distress and urgency frequency of 2182 KHz. The line can be used for seeking advice about mechanical problems, reporting severe weather, and 'good neighbour' calls.

It is hoped that the availability of this channel will encourage skippers to be in touch with the shore more frequently to establish the whereabouts of their vessels.

Economic indicators at a glance

* Series marked with an asterisk are not seasonally adjusted.



Output

Gross domestic product. The output measure of gdp fell by 1 per cent between fourth quarter 1978 and first quarter 1979, largely as a result of bad weather and industrial disputes, especially in the road haulage industry. Manufacturing output fell by 1 per cent and the output of the construction industry, particularly dislocated by the severe weather, dropped 10 per cent. These falls were partially offset by a rise in the output of both the gas, electricity and water industries and the mining and quarrying industries, the latter incorporating the steady growth in North Sea oil production. In the service industries, also affected by the bad weather and industrial disputes, the fall in output of the transport industries was 6 per cent.

Index of industrial production. Provisional estimates for the first four months of 1979 suggest that, in total, the underlying level of industrial output is much the same as it was in summer 1978, a small reduction in manufacturing industries' output being broadly offset by an increase in the output of the energy sector. The provisional estimate for April is 115.0.

Consumers' expenditure

Consumers' expenditure in the first quarter 1979 is estimated to have risen by about 1 per cent despite a 1½ per cent fall in retail sales. The rise was mainly due to a substantial increase in expenditure on fuel and light and an increase in expenditure on motor vehicles both of which are not covered by the retail sales index. In the latest two quarters, expenditure rose by 1½ per cent though it was 5 per cent higher than a year earlier.

Retail sales. The provisional index for the volume of retail sales in May was 113½ (1971 = 100). Although this suggests a fall-back from April when sales appear to have increased to make up for trade lost in the first quarter of 1979, the estimate is still significantly above the high level in the fourth quarter 1978. Taking the first five months of the year as a whole, the average volume of sales was about the same as in the fourth quarter 1978.

Prices and costs

Wholesale price index* (provisional) for materials and fuel purchased by manufacturing industry rose by 1½ per cent in May. The most significant contribution was made by higher prices for crude oil, partly the result of a slight depreciation in sterling's value against the dollar. In the latest three months the index increased by 4¾ per cent and was 9 per cent higher than a year earlier. The index for materials, excluding crude oil, purchased by the non-food, drink and tobacco manufacturing industries, rose by 5.7 per cent in the three months to May. The index for wholesale output prices rose by 1¼ per cent in May. In the latest three months the index increased by 3¼ per cent and was 9½ per cent higher than the year earlier.

Retail prices index* rose by ¾ per cent in May after the sharp rise of 1¾ per cent in the previous month associated with seasonal increases in rates and rents. Much of the increase in May was due to rises in non-seasonal food prices and motoring costs. The year-on-year increase continued to rise and was 10.3 per cent in May. The budget changes in indirect taxes will effect the index for July and are expected to add directly about 3¾ per cent to the index by the autumn.

Terms of trade* During the three months' ended May export prices rose faster than those of imports and the terms of trade index rose by 3 per cent on a year earlier.

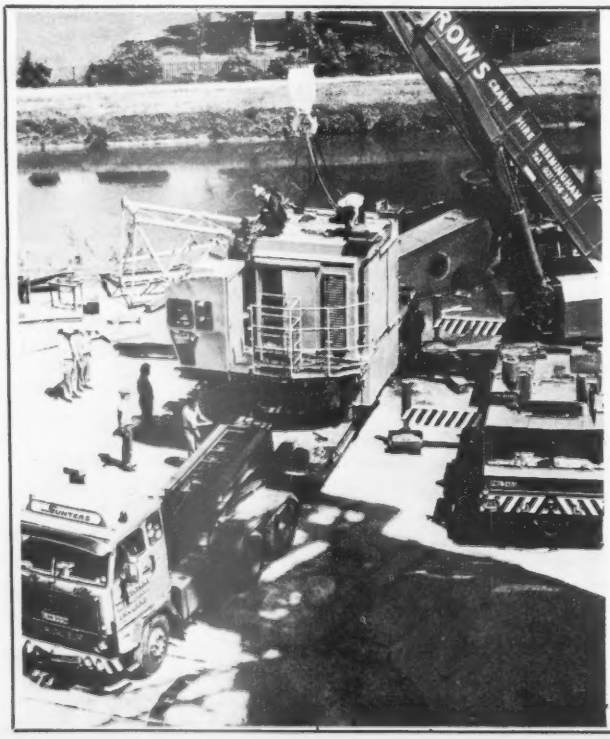
UK competitiveness, measured by normalised unit labour costs, worsened again in 1978 Q4 as sterling continued to rise.

Investment

Manufacturing industry's volume of fixed investment fell by 4 per cent in 1979 Q1. First quarter figures have dipped for the last few years, interrupting the otherwise steady rise from the trough at the beginning of 1976. In the latest two quarters taken together, the volume was virtually unchanged. (Revised figures were due to be published on 28 June.)

Distributive and service industries' volume of fixed investment (excluding shipping) rose by about 3 per cent in 1979 Q1. (Revised figures were due to be published on 28 June.)

The DoI investment intentions survey carried out in April/May confirms the results of the previous surveys which indicated a further increase in 1979 in the volume of investment by both manufacturing industry and the distributive and service industries (excluding shipping). It also supports the previous expectation that the upward trend in investment will continue in 1980 for the distributive and service industries but probably not for manufacturing. The volume of investment by manufacturing, which rose by 7 per cent in 1977 and 8 per cent in 1978, is expected to increase by 2 to 5 per cent in 1979 (against 4 to 8 per cent



Offshore cranes for the Ninian field

One of two Stothert and Pitt offshore cranes being loaded at Bath for the first stage of its journey to the Ninian oilfield in the North Sea. Ordered by Chevron Petroleum, the cranes will be mounted on module structures in Rotterdam and then floated out to the site of the Ninian northern platform. Six Stothert and Pitt offshore cranes will then be operating on the Ninian field and further units are now in production for other oilfields.

expected by the December survey), with possibly a slight fall in 1980. Investment by the distributive and service industries (excluding shipping) is expected to rise in 1979 for the fourth consecutive year. The latest information indicates that the outcome is likely to be in the range 5 to 7 per cent, with a further increase of similar magnitude in 1980.

Incomes

Real personal disposable income (RPDI) rose by 1½ per cent in 1978 Q4 giving a large increase of 6½ per cent in 1978 as a whole. The rise in 1978 followed falls in the previous three years.

Average gross earnings* (new series) rose by about ½ per cent in April. The year-on-year increase fell from 14.6 per cent to 13.5 per cent mainly because the April 1978 figure was boosted due to backdated pay settlements. By April about half of those workers likely to settle in major agreements had settled and received increases, about the same proportion as a year earlier. Average earnings have increased by 8 per cent in the current pay round compared with 8¾ per cent at the corresponding time last year, still suggesting that the outcome of the present pay round will be much the same as last year's.

Labour

Unemployment (UK excluding school leavers) fell by 26 800 during June to 1 279 600 (5.3 per cent of all employees). This was the lowest figure since June 1976. Unemployment in June was down in all the English regions and in Scotland, Wales, and Northern Ireland.

Unfilled vacancies (mainly for adults) notified to employment offices in June numbered 262 400 – an increase of 5100 since May.

Companies

Gross trading profits of industrial and commercial companies net of stock appreciation fell by ½ per cent in the latest two quarters, reflecting the lower level of activity in the first quarter 1979, and were 3 per cent higher than a year earlier.

Liquidity of the (large) industrial and commercial companies replying to the DoI's company liquidity survey fell appreciably in the first quarter 1979, bringing their net current assets and liquidity ratio to the lowest levels since mid-1977. Liquidity has now fallen for three consecutive quarters, after rising strongly from the third quarter 1977 to the second quarter 1978.

Net borrowing requirement of industrial and commercial companies' was much the same in 1978 as in 1977.

Balance of payments

Current account of the balance of payments in the five months to May was in deficit by £1,079 million. The latest figures have been distorted by the effects of the road haulage dispute and the delays in the flow of information to customs and excise, and are not thought to be a good guide to the underlying trend. There was a deficit of £1,693 million on visible trade in the first five months of 1979 (£339 million a month) compared with a deficit of £406 million (£68 million per month) in the second half of 1978. The projected surplus on invisibles in the first five months of £614 million contains a lower figure for April and May reflecting higher net contributions to the EEC in the second quarter. The current account was thus in deficit by £1,079 million in the first five months of 1979 (£216 million per month) compared with a surplus of £604 million (£101 million per month) in the second half of last year.

UK official reserves* (revalued in March at market related rates) rose by $65 million in May. Had it not been for a net repayment of $238 million by the public sector under the exchange cover scheme there would have been an increase in the reserves of $303 million. At the end of May the reserves stood at $21,532 million.

Volume of trade. After making rough allowance for the distortions in the trade figures, the volume of exports is thought to have fallen a little so far this year. One major reason for this fall is the lower level of deliveries to Iran and Nigeria (a decline of £100 million a month in value terms). On the other hand, the volume of imports has increased in the same period with large rises in imports of road vehicles and chemicals, possibly for stockbuilding.

DoT's survey of short-term export prospects, based on replies received from 57 large exporting companies, suggests that the total volume of UK visible exports will rise by about 2 per cent in 1979, a slower growth rate than the 3½ per cent in 1978. A fall in volume of 2 to 3 per cent is expected in the first half 1979, due to the lower shipments to Iran and Nigeria, followed by a rise of 5 to 6 per cent in the second half 1979. Respondents expect the year-on-year rise in export prices to be 13 per cent in the rest of 1979 compared with 9½ per cent in the first quarter and around 4 per cent in 1978.

Exchange rates

The bank note rates of exchange in London on 22 June are given below. Supplied by Thomas Cook Bankers Ltd, the rates are intended as a guide only and are subject to fluctuation. OECD countries are shown in bold.

		You buy at	You sell at
Afghanistan	Afghani	120	140
Andorra	(See France/ Spain)	—	—
Antigua	E. Caribbean dollar	5.42	5.62
Argentina	Peso	2 550	2 850
Australia	**Dollar**	**1.91**	**1.97**
Austria	**Schilling**	**28.75**	**30.75**
Bahamas	Dollar	2.10	2.25
Bahrain	Dinar	0.815	0.85
Barbados	Dollar	3.96	4.29
Belgium	**Franc**	**65.00**	**68.50**
Belize	Dollar	4.20	4.77
Benin	CFA	460	480
Bermuda	Dollar	2.05	2.19
Bolivia	Peso	43	53
Botswana	Pula	1.90	2.20
Brazil	Cruzeiro	64	80
Brunei	Dollar	4.66	4.86
Cameroon	CFA	460	480
Canada	**Dollar**	**2.49**	**2.56**
Chile	Peso	73	88
China	Ranimbi Yuan	Refer	Refer
Colombia	Peso	82	98
Costa Rica	Colon	18.50	20.50
Cyprus	Pound	0.72	0.76
Denmark	**Krone**	**11.30**	**11.80**
Dominica	E. Caribbean dollar	5.42	5.62
Ecuador	Sucre	55	65
Egypt	Pound	1.56	1.70
Eire	**Pound**	**1.04**	**1.08**
Fiji	Dollar	1.78	1.86
Finland	**Markka**	**8.27**	**8.62**
France	**Franc**	**9.07**	**9.47**
Germany, FR of	**Deutschmark**	**3.92**	**4.14**
Gibraltar	Pound	1.00	1.05
Greece	**Drachma**	**75.75**	**80.75**
Grenada	E. Caribbean dollar	5.42	5.62
Guyana	Dollar	9.25	Refer
Hong Kong	Dollar	10.75	11.18
Iceland	**Krona**	**790**	**820**
Indonesia	Rupiah	1 200	1 600
Iran	Rial	210	Refer
Iraq	Dinar	0.77	0.82
Israel	Pound	46	51
Italy (20 000 and smaller)	**Lira**	**1 750**	**1 835**
Japan	**Yen**	**466**	**493**
Jordan	Dinar	0.64	0.68
Korea	Won	1 200	1 600
Kuwait	Dinar	0.59	0.62
Lebanon	Livre	7.05	7.55
Liberia (see USA)		—	—
Libya	Dinar	0.90	1.15
Luxembourg (see Belgium)	**Franc**	—	—
Madeira (see Portugal)	Escudo	—	—
Malaysia	Dollar	4.64	4.86
Malta	Pound	0.735	0.765
Mauritius	Rupee	11.88	13.75
Mexico	Peso	46	56
Monaco (see France)	Franc	—	—
Netherlands	**Guilder**	**4.32**	**4.53**
New Zealand	**Dollar**	**2.08**	**2.17**
Nigeria	Naira	2.35	Refer
Norway	**Krone**	**10.78**	**11.23**
Oman	Rial	0.745	0.79
Pakistan	Rupee	22	27
Peru	Sol.	465	475
Philippines	Piso	15.00	18.00
Portugal	**Escudo**	**101**	**106**
Qatar	Rial	8.07	8.42
Saudi Arabia	Rial	7.26	7.62
Seychelles	Rupee	12.87	13.35
Sierra Leone	Leone	2.25	2.50
Singapore	Dollar	4.60	4.84
South Africa	Rand	2.12	2.32
Spain	**Peseta**	**138.50**	**145.50**
Sweden	**Krona**	**9.08**	**9.48**
Switzerland	**Franc**	**3.50**	**3.72**
Syria	Pound	8.80	10.55
Taiwan	Dollar	85	102
Thailand	Baht	40	47
Trinidad and Tobago	Dollar	5.30	6.40
Turkey	**Lira**	**90.00**	**94.00**
Uganda	Shilling	Refer	Refer
United Arab Emirates	Dirham	8.24	8.59
USA	**Dollar**	**2.135**	**2.195**
Venezuela	Bolivar	8.65	10.35
Yemen Arab Republic	Rial	12.50	15.50
Yugoslavia	Dinar	39.00	41.00
Zambia	Kwacha	4.25	Refer

Where more than one rate applies to a currency, the rate given is that for small denomination notes.

Exchange rate

Effective sterling exchange* rate index rose to its highest level for three years during the week and was 68.9 at the close on Thursday 21 June (December 1971 = 100).

Finance

Public sector borrowing requirement (PSBR) fell to £2.6 billion in the fourth quarter of the financial year 1978-79. The PSBR for the full financial year amounted to £9.2 billion.

Domestic credit expansion was quite large again in May at £0.9 billion. The central government borrowing requirement was lower than in April, but sales of government debt were also lower and a sizeable amount of certificates of tax deposit was redeemed. Bank lending to the private sector continued at a high level.

Sterling M3 rose by £0.6 billion (1½ per cent), rather less than DCE, implying some external outflow from the private sector. In the seven months since mid-October it has risen by about 7½ per cent, 13 per cent at an annual rate. The new guidelines for £M3 from mid-June 1979 to mid-April 1980 are 7 to 11 per cent at an annual rate.

Bank of England minimum lending rate (MLR) – 14 per cent, effective from 13 June.

More information

For a backrun of figures for some of these indicators see 'The economy: selected indicators', page 593. Inquiries on any of these indicators should be addressed to Economics and Statistics Division 4B, Departments of Industry and Trade, Room 173, 1 Victoria Street, London SW1H 0ET, tel. 01-215 3453.

Home news

Employment transfer scheme to be concentrated in areas of greatest need

Changes are to be made in the employment transfer scheme affecting applications reaching Manpower Services Commission local offices after tomorrow (30 June). The scheme encourages labour mobility by giving assistance to unemployed workers moving to take up employment beyond daily travelling distances of their homes.

The object is to concentrate aid where it is needed most, especially special development areas and development areas, said employment secretary James Prior, announcing the changes in answer to a parliamentary question on 20 June.

The changes are as follows:

Local labour market rules, which have imposed a restriction on the scheme by not supporting workers moving to areas where there were already people unemployed with the desired skills, have up to now only applied to non-assisted areas. Now they will apply everywhere.

Disturbance allowance. At present single people in all assisted areas have been able to benefit from the disturbance allowance but this will be restricted to people in special development areas only who want to move to any other area.

Transfer grants, covering moving costs for workers with dependants, will in future be payable at the higher rates only to workers moving from special development areas and development areas to areas of lower levels of assistance or non-assisted areas. At present the higher rates are payable for moves out of all assisted areas. Certain exceptions apply to textile workers and some skilled occupations.

Temporary transfers will be abolished.

Mr Prior announced the abolition of the key workers' scheme under which employment-transfer-scheme-type assistance was given where employers moved key workers to new or expanding establishments in assisted areas. The scheme had been little used.

The job search scheme will now be covered by the labour market rules everywhere, not just outside assisted areas.

Industry ministers in the regions

Industry ministers in the regions last Friday. Above: Secretary of State for Industry Sir Keith Joseph at Cammell Laird Shipbuilders, Birkenhead, talking in the shipyard to Sam Betney, stud welder, and Joseph Cullen, welder (right). Both men have been in the yard all their working lives. Below: Minister of State for Industry Lord Trenchard at a meeting with local industrialists in Plymouth on 22 June. With him (left) is Department of Industry south-west regional director Robert McVickers.

Proposals for change in labour law

The climate is right for a change of direction in industrial relations which would have a beneficial effect on the country's economic and social life, said Patrick Mayhew, Parliamentary Under-Secretary of State for Employment, on 22 June. Speaking to the Engineering Employers' Association in Derby he outlined the government's proposals to introduced legislation later this year in three areas – picketing, the closed shop, and the provision of funds for trade union ballots.

On the question of picketing Mr Mayhew told the association that the TUC itself had recognised the anxiety of its own members and of the public as a whole. In February it had issued guidelines for picketing. They provided a useful start, he said, but they did not go far enough, nor did they confer a legal remedy upon any person who might suffer if they were broken. The government would propose that the immunity from civil action – which previous legislation had strengthened – must be restricted to those who were party to the dispute, and were picketing at their place of work.

The government was also committed to changing the laws on the closed shop so that existing employees, and those with personal convictions against joining any trade union, were adequately protected, he continued.

On the provision of funds for trade union ballots Mr Mayhew told his audience that there was growing recognition in the trade union movement that secret ballots were the right way to decide important issues. There was no question of compulsion. The offer of funds would be for the unions to take up if they wished.

The minister stressed that on all of these proposals there would be the widest possible consultations throughout this summer. 'We want to learn as well as explain,' he said. Informal discussions had already begun with the CBI and the TUC and in the autumn a bill would be brought forward.

Turning to employment protection legislation, Mr Mayhew referred to the burden placed on firms, particularly small firms. The government was already consulting the CBI, TUC and other interested bodies on changing the qualifying period for unfair dismissal from 26 weeks to 52, and reducing the period required for consultation and notification of redundancies affecting less than 100 employees. This thorough review of legislation had started with a view to identifying any changes needed to ensure a fairer balance between the employer and the employee.

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Employee participation cannot be imposed – Prior

'More dialogue between all levels of a company or organisation is an essential element in getting Britain's industry moving,' said James Prior, Secretary of State for Employment, on 18 June, 'but this government will no more impose a system of participation on industry than tell people what newspaper they should read or tv programme they should watch.'

Mr Prior, addressing an Industrial Society conference in London, said that good industrial relations practices were vital to Britain's economic recovery. He wanted to see the 'two sides of industry' phrase and its accompanying attitude struck out of Britain's industrial vocabulary.

'Production is a matter of team work and I want to see more companies involving more of the people working for them in making the decisions,' he said.

He went on to say that what suited one company did not necessarily suit another. 'Let me make this absolutely clear, I do not see a blanket approach imposed by government on industry as being the way forward. Each sector of industry, and each component of each sector must look at its own structure and see how participation can best fit in.'

Mr Prior said that the experiences of Western Germany were often held up as a shining example of industrial democracy at work. 'One does not have to cross the channel to find good examples,' he said. 'There are excellent examples right here, among both large and small firms. But it is important that the company or organisation as a whole – and that means management and the workforce – must agree that greater participation is to their mutual benefit and then hammer out a system that suits them best.

'It is my experience that people regard a system in far higher esteem and as being far more relevant when they themselves have had a part is devising it and setting it up, than when it is handed down in a more remote fashion,' he said.

Improved climate for small firms – Mitchell

Improved business climate resulting from budget incentives would provide a good opportunity for small firms, said David Mitchell, Parliamentary Under-Secretary of State for Industry, on 19 June. He was speaking at the annual dinner of the British Secondary Metals Association.

'Whereas previously too few people felt that it was not worthwhile to start a new business or make a small one bigger, I believe that these much improved conditions will help to reverse that attitude,' he said.

Mr Mitchell, who has special responsibility for small firms, said the cuts in income tax had two important benefits for small firms. Firstly, the lower income tax was an incentive, and with a top rate of 60 per cent companies would feel that it was worth it to try and succeed. Secondly, and equally important for those starting up, was the often overlooked fact that sole traders paid income tax on the profits of the business after taking into account capital allowances and stock relief, Mr Mitchell said. Often this was the only finance available for expansion, and increased working capital.

Rather larger businesses would benefit from the extended criteria for the lower rate of corporation tax now up to pre-tax profits of £60,000 graded off to £100,000, so that they would pay less tax on profits retained in the business.

Businesses of all sizes would benefit from the total writing off of the first two years of liability under the scheme of stock relief and the knowledge that it would continue to be completely written off six years in arrears. Small firms would secure a particular benefit from the elimination of stock relief liabilities, he added.

Companies bill published

The Companies Bill 1979, which has had its first reading in the House of Lords, was published on 15 June. The bill, foreshadowed in the Queen's speech on 15 May this year, is necessary to implement the EEC second directive on company law (77/91/EEC).

The directive is mainly concerned with the formation of public companies and the subscription and maintenance of their share capital. In order to ensure that its provisions are not applied to companies for which it would be inappropriate, the bill redefines the terms 'public' and 'private' companies and introduce the concept of 'public limited company' with a minimum authorised share capital of £50,000.

The bill also deals with provisions in the EEC directive on: the issue, payment for and maintenance of share capital of public companies; and restrictions of distributions of profits and assets to members of the company.

Certain of the bill's provisions have been applied to private companies, though not required by the directive. Most of the clauses have been already examined in standing committee of the House of Commons when they formed part of the 1978 Companies Bill. The introduction into the House of Lords of this bill reflects the need to present this measure to parliament at the earliest moment. The provisions of the EEC second company law directive should have been implemented in the UK by last December.

The bill deals only with the measures necessary to implement the EEC second directive. A number of further measures of company law reform including legislation to implement the EEC fourth directive will be included in a later bill.

Monopoly reference given new deadline

Secretary of State for Trade, John Nott, has given a direction which allows the Monopolies and Mergers Commission an extended period to 23 December for the purpose of reporting on the reference on the supply of credit card and franchise services in the UK.

This follows MMC representations that the report cannot be completed by 23 June, as specified in an earlier direction.

Merger proposals cleared

John Nott, Secretary of State for Trade, has decided on the information at present before him, not to refer the following proposed mergers to the Monopolies and Mergers Commission under the provisions of the Fair Trading Act 1973:

Harris Queensway Group Ltd/Hardy and Co (Furnishers) Ltd.

National Enterprise Board/a 50 per cent interest in Yates Duxbury and Sons Ltd

A. G. Stanley Holdings Ltd/Morris and Blakey Wall Papers Ltd

British Steel Corporation/Herringshaw Steel Ltd.

Annual report of Office of Fair Trading

Two major areas of the Office of Fair Trading's work – competition policy and consumer affairs – are covered in its annual report for January to December 1978 published on 20 June.

On competition policy, Director General Gordon Borrie said that when he took office in June 1976 he appreciated the importance of this work but 'I could not have foreseen at that time the way in which this side of my work would grow in the next two years'.

He drew attention to increased action on three fronts: the uncovering of secret restrictive trading agreements; enforcement of the Resale Prices Act 1976; and the examination of merger proposals.

Many goods agreements registered during the period covered by the report had been operated unlawfully because they had not been notified. Among these were 90 local agreements concering the supply of ready mixed concrete which came to light following investigations which began in 1977.

The report records that court orders made under section 35(3) of the Restrictive Trade Practices Act 1976 restrained 33 parties from operating 60 unlawful agreements about the supply of ready mixed concrete, and similar orders were made against the parties to 16 agreements about the supply of diazo copying materials.

On services, the report says that the total number of agreements recorded in the public register by the end of 1978 totalled 321. The first services agreement to be referred to the restrictive practices court – involving tour operators – was made in December 1978.

The report also lists the actions taken under the Resale Prices Act and noted that work on enforcement increased towards the end of the year.

During 1978, the report says, the Office of Fair Trading considered 229 proposed mergers falling within the criteria of the Fair Trad-

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ing Act an increase of 35 over the previous year.

On the consumer side of the office's work, the report covers:

☐ Codes of practice which numbered 14 at the end of 1978 and included furniture and mail order codes. Aspects of the monitoring of the codes are also mentioned.

☐ Written assurances of better behaviour from traders which, at 62 obtained through the courts, was the highest annual figure in the office's history.

☐ Consumer complaints which went down by 3 per cent.

☐ Consumer Credit Act. By the end of the year the licensing of the consumer credit business had almost been completed.

The 'Annual report of the Director-General of Fair Trading 1978' is published by HMSO, price £2.

Changes to toy safety regulations

Draft regulations setting out certain amendments to the Toys (Safety) Regulations 1974 have been circulated to consumer and safety organisations, local authority associations and relevant trade associations for their comments. The proposed amendments, if made, will:

☐ exempt parts of toys designed or intended to act as an electrical conductor from the present requirement that accessible edges of sheet metal up to 0.5 mm thick must be coated with a protective substance or folded back;

☐ remove the need for an inner casing around chiming mechanisms forming part of a toy if the outer covering or casing is sufficiently robust not to permit access to the metal prongs of the mechanism; and

☐ allow plastic bags in which toys are packed for sale to be thinner than 0.038 mm, at present specified, if they are made of orientated polypropylene or micro-perforated film.

Proposed amendments relating to electrical conductors recognise the fact that it is technically difficult for these components to be so made that they comply with the existing requirements relating to the protection of metal edges and also that they do not present a hazard. The thinner films which it is proposed to permit for plastic bags have been shown by tests to be acceptably safe. The minimum thickness for ordinary polyethylene bags will continue to be 0.038 mm.

Copies of the draft amending regulations will be supplied on request to any other organisations or persons who wish to know about or comment on the proposed amendments. Requests should be addressed to the Department of Trade, Consumer Safety Unit, Room 1918 Millbank Tower, Millbank, London SW1P 4QU.

A draft EEC directive on the safety of toys, based on a comprehensive standard produced by the European committee for standardisation (CEN) is at present under consideration by a working group of the EEC commission. If it is adopted, it will of course have to be implemented by the UK and other member states of the community and this will require the making of new regulations to replace the existing Toys (Safety) Regulations.

Airports design exhibition

Design at airports is the theme of an exhibition which opened on London on 19 June. Sponsored by the British Airports Authority, the exhibition will remain open at the Design Centre until 21 July.

The main feature is a continuous multi-screen audio-visual presentation of the various aspects of British airports design – engineering design, corporate identity, ancillary furniture, architecture and landscaping. The exhibition has been designed by Minale Tattersfield and Partners, the firm responsible for the friezes which line the subway linking the airport terminals with the underground station at Heathrow.

MSC funds training for organisation consultants

A new practical organisation consultancy course designed to enable senior specialists to exchange ideas and build upon lessons learned first-hand in their own companies is being sponsored by the training services division of the Manpower Services Commission.

Based at the Centre for the Study of Organisational Change and Development, the experimental course, lasting nine months, holds its meetings when and where it is convenient to those taking part. It began under the directorship of Professor Mangham of Bath university in response to the recommendations of a steering group drawn from nine industrial training boards and the curriculum is being shaped, as the course proceeds, to fit organisational shortcomings identified by participants. The cost to MSC is £20,200.

Information about future programmes can be obtained from Prof I. L. Mangham, Centre for the Study of Organisational Change and Development, University of Bath, Bath, Avon.

Liferafts – warning to yachtsmen

Yachtsmen are being warned to ensure that their liferafts are serviced only by service stations approved by the Department of Trade or the liferaft manufacturers. The warning – contained in merchant shipping notice M874 – has arisen following reports from UK stations to the department.

According to the reports, which are made every time a raft is serviced, one raft, previously serviced in Italy, would not have inflated – it was packed upside-down and the wrong way round; for another, serviced in the US, there was no conceivable way the liferaft would have inflated. Four others, belonging to one merchant vessel, were serviced in Japan; an extra 30 feet of line had been added to each painter and tied inside the container by knots so bulky that they would not pull through the opening at the container exit. The report on them said that the rafts were completely useless as lifesaving apparatus.

The Department of Trade is requesting all liferaft service stations and manufacturers of DoT approved liferafts to submit details of any liferaft received which was last serviced at a non-approved station, and the name of the ship on which it is carried. The department will then consider what action it will take.

Notice M 874, 'Servicing of inflatable liferafts' is available from the Marine Library, Sunley House, 90-93 High Holborn, London WC1.

No second runway at Gatwick

British Airports Authority has agreed to enter into a legally binding commitment with West Sussex County Council not to build a second runway at Gatwick. A proposed planning agreement, approved by the authority's board, was endorsed by the West Sussex council's planning committee at its meeting on 20 June. The planning committee's recommendation will go to the full council for consideration in July.

Fishing vessel survey fees rise

Fees for the survey of fishing vessels and the issue of safety certificates are to be increased by an average of just under 14 per cent from 1 July. The increases – which have been agreed by organisations within the industry – are the first since August 1976 (some having been reduced in January 1978). Increases of between 8 per cent and 17 per cent will apply for the registration of ships, and fees will be related to the length of time taken to carry out a survey.

Assignment of offshore oil licence rights

The British National Oil Corporation (BNOC) is no longer to have first option on assignments of offshore petroleum licence rights.

The decision came from Secretary of State for Energy David Howell, on 14 June in reply to a parliamentary question. He explained that it would take a few weeks to complete the review of BNOC and take decisions. In the meantime he had decided that public corporations – BNOC and British Gas – should no longer have a first option on assignments of offshore petroleum licence rights. He believed the decision should give further encouragement to exploration, and said he would have this consideration in mind when examining applications for consent to assignments.

New regional coastguard HQ at Greenock

HM Coastguard's new Clyde regional maritime rescue co-ordination centre (MRCC) at Greenock became operational on 19 June. Clyde region covers an area from Cape Wrath to the Scottish/English border and includes Northern Ireland and the Isle of Man, with a sea area extending to 30° west.

Clyde MRCC is the largest and most modern in the coastguard service today and is fitted with vhf radio-control panels which control stations situated at high points in the Isle of Bute, Isle of Islay, and Mull of Kintyre.

New publications

Proceeding to discipline

There appears to have been a significant growth in the number of companies formalising disciplinary procedures over the past decade, according to a survey published by the Institute of Personnel Management (IPM). Figures for 1978 show that 98 per cent of the companies questioned have set written disciplinary procedures for blue-collar workers and 93 per cent of them have similar procedures for white-collar workers.

It is some 12 years since the then Ministry of Labour issued the first major report on the subject – 'Dismissal procedures' (report of the National Joint Advisory Council) (HMSO, 1967) and several studies have followed, but this IPM report is the first major survey in the past five years.

The survey is based on data collected during 1978 from 267 organisations of varying sizes located throughout the UK. It is a pity that the sample could not have been larger, but there is a close look at various aspects of the procedures including trade union involvement, reasons for disciplinary action and the various types of sanctions applied. Also covered is the effect of government intervention and the influence of various recent codes of practice. The appendices include examples of industrial tribunal proceedings establishing cases of fair dismissal, plus a copy of the Advisory Conciliation and Arbitration Service code of practice.

Disciplinary procedures and practice. Institute of Personnel Management, Central House, Upper Woburn Place, London WC1H 0HX. 1979. 161 pages; paperback £10.00 (plus 25p postage and packing) (ISBN 0 85292 243 4).

Chemicals by company

Taking its place among recent new editions is a second edition of 'Chemical company profiles: western Europe'. It remains one of a number of useful directories available on the chemical industries of western Europe – the emphasis in this case being on financial and organisational information on specific companies.

Arranged primarily in country sections, with information sub-arranged by company names, it includes addresses, telephone, cable and telex numbers, names of directors, lists of products, employees, and a variable amount of financial data. An alphabetical index to companies is provided, but as the directory is company, rather than product-oriented, there is unfortunately no product index.

The coverage does to some extent overlap with the United States-produced, two-volume 'Directory of chemical producers – western Europe' (published by SRI International, 333 Ravenswood Avenue, Menlo Park, California 94025), but although this has a product volume listing producers of specific chemicals and carries nearly twice as many companies as 'Chemical company profiles' (3200), less detail tends to be provided for each.

If the scope of 'Chemical company profiles' is narrower than that of other directories in the field, it still forms a useful reference work for information on specific major companies, and supplements the more product-oriented approach of such publications as 'Directory of chemical producers' and a second United States work – the 'Directory of west European chemical producers' (published by Chemical Information Services Ltd, PO Box 61, Oceanside, New York 11572).

Chemical company profiles: western Europe. 2nd edition. Chemical Data Services, IPC Industrial Press Ltd, Dorset House, Stamford Street, London SE1 9LU. 1979. iv, 389 pages; paperback, £40.00 (ISBN 0 617 00269 X).

Gimme the facts

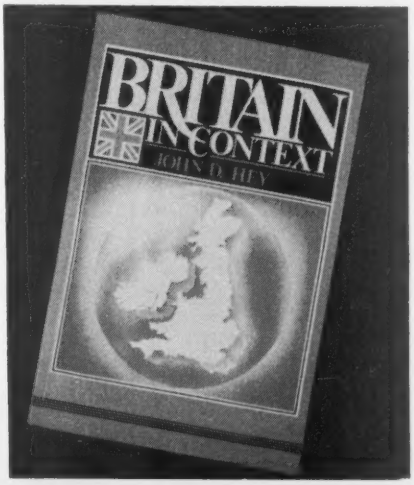
It has been said that 'there are lies, damned lies and figures quoted in political speeches'. John D. Hey has had the admirable idea of publishing a book which, if shelved between Wisden and the calorie charts, would prevent false claims based on spurious figures. To some extent the idea has been successfully worked out, as Hey has presented a broad spectrum of information, from divorce rates, and international comparisons of strikes, to the balance of payments, with clear reference to sources and a generally successful attempt to avoid interpretations which might be charged with political bias.

Naturally the specialist in any field will see faults and omissions, but he should know the original sources anyway, and Hey, rightly, has not set out to write a treatise on the problems of collecting and using data. However, he might have issued a few more warnings, particularly where international comparisons are made, since problems of definitions, inclusions, exclusions and exchange rates deserve rather more serious presentation than Hey has given them.

Some of the graphics are confusing and mistakes have been made. In topic 1, the block representing Ireland has been placed exactly on top of Ulster; topic 5 has a completely unintelligible set of squiggles which are supposed to represent inflation; and in topic 9 the colouring is wrong since there was no special drawing right in 1951.

It is always hard to read tables printed over pictures of lumps of cheese. More tables of numbers and fewer attempts at diagrams might be better – and what could be simpler to follow than the table in topic 24 (allocation of personal income)?

Despite these criticisms, Hey's book is a good idea. When it needs updating, he might reconsider some of the presentation, but typographically it is nicely done and a pleasure to use. The paperback edition represents extremely good value.



Britain in context, by John D. Hey. Basil Blackwell, 1979. 189 pages; hardback £9.50 (ISBN 0 631 11271 5); paperback £3.95 (ISBN 0 631 11321 5).

On a point of order . . .

So often one finds oneself in a meeting of a local society or club where, despite good intentions, no one seems to have any idea on the correct conduct of the meeting. And by articulating one's experience in a helpful way, one can find oneself on the committee as the source of all wisdom. To all such sufferers a new, concise guide 'The law and procedure of meetings' should prove valuable.

The book is planned to cover the syllabus of the subject for the examinations of the Institute of Chartered Secretaries and Administrators, and as such may go into too much detail, and be too legally oriented for, say, the local horticultural society, but it should become a valuable source of legal background across the whole spectrum of the law relating to meetings, and should be widely available.

Included is a separate section on company meetings with specific references to annual general meetings, organising a poll, and meetings in winding up, and the authors provide numerous examples of notices, minutes and resolutions throughout the text. The law of defamation is also covered. And, in addition to lists of relevant statutes and cases there is advice on organising and running meetings and conferences.

The law and procedure of meetings, by Ronald R. Pitfield and Percy F. Hughes. Secretaries Journal Ltd, 98 Park Street, London W1Y 4BR. 1979. xvi, 162 pages; paperback, £6.00.

Publications and opinions expressed on this page do not necessarily reflect the views of the government. Inquiries and submissions for review should be sent to *Trade and Industry*, New Publications Page, Room LG 17A, 1 Victoria Street, London SW1H 0ET, tel. 01-215 4136.

Technology news

UK group proposes technology centre for the Gulf

A proposal for a national industrial technology centre for the United Arab Emirates is among 16 current projects initiated by Technology Transfer Group (UK) Ltd and being developed by member companies. Other projects range from a city transit scheme in east Africa, food processing and distribution schemes in west Africa, to industrial manufacturing plants in the middle east.

With the large-scale expansion of industry taking place in Abu Dhabi and the Gulf, the proposed technology centre would meet an acute need for technological skills. It would bring together in one organisation facilities for information, measurement, testing, computing and applied research. A team formed under the auspices of Technology Transfer Group from Sira Institute, John Laing R&D, BHRA Fluid Engineering and the National Computing Centre are seeking the opportunity to prepare a detailed plan for the design and construction of the centre.

The Technology Transfer Group, operating under its registered trade-name, 'Technex', is a specialist export association set up by a group of British firms to provide a service to overseas clients wishing to undertake projects incorporating British science, technology and construction knowledge and expertise. Technex has a diverse membership including manufacturers, industrial specialists, research associations and the complete range of consulting services.

The group seeks to identify opportunities and to set up project groups who will take the total management responsibility on behalf of the client and will integrate professional skills, hardware and construction with implementation for the successful completion of the entire project. Technex does not undertake the project itself; it is, in fact, a non-profit making organisation, but acts as an assembler of the required consortium to undertake and complete the project.

The group defines itself as a 'fellowship' of professional and specialist firms in different fields of technology who want to work together on sizeable projects, particularly overseas. Individual members are autonomous companies or organisations in their own right, each pursuing their objectives in world markets. The current members have come together to join with other members in forming consortia to undertake special projects and by so doing take on larger projects than they would undertake on their own.

The team approach can be economically advantageous, particularly in the early stages when there may be a sizeable element of risk in investigating, preparing and submitting a contract bid. For example, in the technology centre for Abu Dhabi, none of the four organisations involved would have committed the total expenditure alone.

Regular exchange of ideas and experiences at Technex meetings and through its communication channels, creates new business opportunities for members, many of whom have already benefited from this network. Regular association by members with colleagues in a wide range of industries and professions who each have a will to work overseas and participate in joint business ventures, provides essential intelligence and stimulates new ideas.

With the active support of the British Overseas Trade Board, the group has designed and produced a 'Technex kit' which is specifically intended as a project resourcing aid to executives concerned with project development and financing in government, international funding agencies and the private sector. The kit is being distributed to all British embassies.

Further information on Technex is available from the group's office at Grosvenor Gardens House, 35/37 Grosvenor Gardens, London SW1, tel. 01-834 8064.

Overseas students on materials technology training course provided by Technex member, John Laing R&D Ltd.

Giant air-gun fires missiles at reactor shields

What would happen if a crashing aircraft scored a direct hit on a nuclear power station is among the questions that scientists at the United Kingdom Atomic Energy Authority's research establishment at Winfrith in Dorset are trying to answer with the aid of a giant air-gun.

The compressed air cannon, housed underground in a disused reactor building, fires specially designed missiles at speeds of up to 725 km/h at scaled samples of a nuclear reactor's reinforced concrete shield. Cameras taking 10 000 pictures a second, and up to 42 channels of dynamic instrumentation, study in minute detail exactly what happens at the moment of impact and immediately afterwards.

Missiles can be designed to have the impact characteristics of low or medium-speed objects that could conceivably strike a reactor shield. Most of the tests are designed to investigate accidents that could be caused by disintegrating power station machinery. However, aircraft are also among the possibilities being considered.

Although a lot is known about the effect of supersonic missiles such as military shells upon reinforced concrete, little is known about the behaviour of medium and low-speed, crushable missiles. The work is being carried out for the UKAEA's Safety and Reliability Directorate and the information yielded will also be of use to the construction and chemical industries.

Making workshops quiet

Significant developments in the analysis and reduction of machine noise have occurred in recent years out of the need for noise control in

industrial workshops. The Machine Tool Industry Research Association (MTIRA), recognising the importance of passing on new technology, is now organising courses to help those concerned with industrial noise.

A one-day course will be held on 10 October at the MTIRA workshops in Macclesfield. The course is aimed mainly at designers, development and production engineers who are concerned with machine tools and associated machinery. Experience has shown, however, that the contents of the course are likely to be of interest also to a wider range of engineers for whom industrial noise is a continuing problem.

Three short lectures will be presented to introduce the principal aspects of noise analysis, treatment of existing machines to reduce noise, and the design of quiet machinery. These will then be followed by practical workshop sessions in which a wide range of the latest equipment and noise-reduction techniques can be examined and there will be ample opportunity for discussion of delegates' noise problems.

Further information is available from Brenda Bosman, The Machine Tool Industry Research Association, Hulley Road, Macclesfield, Cheshire SK10 2NE, tel. Macclesfield 25421 and 26189.

International discussion of computing standards

Speeding agreement on international computing standards by supporting national standardisation activities in their own countries and exchanging information to encourage common approaches was agreed by 20 representatives, from 12 national information processing institutes, who met recently at the Norwegian Computing Centre. The UK was represented by the National Computing Centre.

It was agreed that the institutes should support their national standardisation organisations in the preparatory technical work, in order to speed up standardisation processes. The object is to develop and promote computing standards, for example, in the fields of programming languages, computer networks and quality assurance for computer programs.

The potential social impact of information technology was considered an important topic for co-operation. The directors also discussed the role of the national institutes in the application of computing as an everyday tool throughout the education system, particularly in secondary schools. They agreed to exchange information on user needs related to office automation systems, on good applications based on microcomputers, on systems analysis methods, and the interaction between viewdata type systems and business data processing.

The meeting was one of a series which have taken place every 18 months since 1973. The principal objectives of the meetings are to review the role of the institutes in the light of the rapidly developing technology; to exchange ideas about development trends and information about the research and development programmes that are undertaken in the different countries; and to seek further opportunities for collaboration.

New products

Electronic access control at reduced price

Digitac memory access control systems, incorporating electronic integrated logic to reduce the control unit size and improve security, are now available from stock at Raytel Security Systems of Rayleigh Instruments Ltd. An added bonus is a 27 per cent reduction in price against its thumbwheel operated predecessor.

The chosen access code is simply programmed at the keyboard. The control unit stores the code in an electronic memory, which is protected by a security keyswitch. Standard features include time penalties on incorrect code entry and detection of multiple key depression, and both circuits are designed to resist code breaking. More sophisticated models include hold-up and keyboard tamper alarms, door monitor alarms and two-door (airlock type) operation. Additional second level security can be provided for with badge card units or personalised badge card systems.

All Digitac memory systems are now available in skeleton form and as such are ideally suited for embodiment in daytime vault or safe controls, vehicle alarm system controls or securing mechanised office equipment.

Further information: circle 518

Leakage and breakdown tester is simple to use

An ac leakage and breakdown tester for voltages from 50 V to 4 kV is compact, portable and simple to use. Model RM215-F/3, developed by Avo Ltd for use at all stages of production, is suitable for flash testing electrical components, testing the breakdown voltage of insulating materials, testing ac leakages, and the non-destructive insulation testing of materials, components and equipment.

Breakdown or leakage failure is indicated both visually and audibly. Signal lamps also indicate whether mains power has been switched on and when the equipment's high-voltage output has been energised. The threshold of leakage current detection is preset by screwdriver operated switch between 0.3 mA and 4.0 mA.

A special feature is the tester's low internal resistance which is important when electrical components of appreciable capacitance are to be checked. For added safety, the supply is arranged to limit output current even when the output terminals are short-circuited; and an interlock system trips test voltage if a failure occurs.

Further information: circle 519

Visual and audible indication of breakdown

Freepost reader service

For further information on items in this section, circle the corresponding number on the reader services page near the end of the magazine.

Low-cost insulated cladding

Glass Reinforced Concrete (GRC) Ltd has launched a low cost, precast insulated cladding system for industrial buildings. The system is designed to meet the recently revised building regulations, with their stringent insulation and fire risk requirements.

The panels are designed so that their composition provides a U value of less than 0.6W/m²/°C, and a sample panel 1200 mm square has been fire tested at the Warrington Research Centre and satisfactorily survived for a period of two hours in all three categories when subjected to heating conditions as stipulated in British Standard 476 part 8.

Further information: circle 520

Improved chain lubricant

The working life of exposed and semi-exposed drive chains on all types of industrial equipment can be extended, it is claimed, by the use of Linklyfe, an improved lubricant in aerosol form from Filtrate Ltd.

Linklyfe has stronger adhesion to the chain providing a longer effective life for its other improved characteristics. It is highly water repellant, prevents corrosion, is non-corrosive to all metals and, with colloidal graphite and molybdenum disulphide additives, has powerful and lasting lubricating properties.

To apply Linklyfe, the chain is sprayed from the 450g aerosol can which removes the dirt and replaces it with clean lubricant. A tenacious film penetrates the links effectively and covers all moving surfaces. Linklyfe is suitable for chains with steel or alloy links.

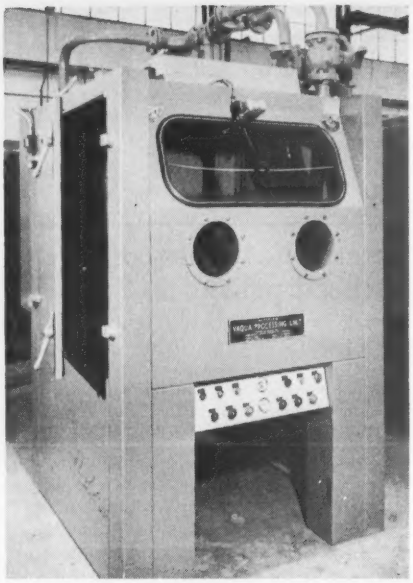
Further information: circle 521

Cleaning machine meets environmental controls

Advanced design concepts have been adopted by Abrasive Developments Ltd to enable its Achilles mk II wet-blast cleaning machine to meet strict environmental controls both in the UK and Europe. The new machine is one of a range able to degrease, clean and finish in a single operation.

Noise levels have been reduced by using a double skin design for the cabinet and by a specially designed pump and motor. The single gun machine operates at less than 80 dbA and at this level can be used safely in an open workshop.

The cleaning operation is carried out by controlling a mixture of air, water and either glass bead or alumina media as it leaves the nozzle of the process gun aimed at the surface of the component. No strong chemicals are used in this process, thereby avoiding any toxicity risks. At the same time the combination of the cleaning medium with water ensures that no dust is produced thus eliminating the need for extracting systems. Water also cushions the surface against the media particles preventing component damage and impregnation. Because the process allows complex shapes to be cleaned, the machine can be used for cleaning finished units after assembly. Water used for this process is continuously recirculated in the machine in order to minimise requirements for both mains and disposal to waste.



Quiet enough to be used in an open workshop.

Further information: circle 522

LSI circuitry makes low-cost vdu highly reliable

High reliability at low-cost are claimed as the key points of the Pentland range of visual display terminals, designed and manufactured by CPU Peripherals Ltd. These vdus are equally suitable as a component of data communications systems or as the interface, with computer installations, large, small or 'personal'.

Model III offers 64 displayable ACSII character set, 12 baud rates, switchable full or half duplex operation, 62 keys in standard format and full cursor control. Screen capacity is 1920 characters, in 24 lines each of 80 characters, with memory capacity of twice this. Extensive use is made of large-scale integrated circuitry to provide high reliability with minimum servicing times.

Model VI offers rather more sophisticated facilities. The most obvious difference between the two models is the keyboard: as well as the 62 standard keys, Model VI has an 11 key numeric pad. Other facilities are line and page scroll, row interchange, two video page memory, 96 displayable ASCII character set and optional displayable control codes.

Further information: circle 523

Inexpensive and reliable terminal.

Microprocessor system wakes up hotel guests

An automatic system to wake up guests has been developed for use in small or medium-sized hotels by Millbank Electronics Group Ltd. The system consists basically of a data keying-in pad cable-linked to a microprocessor. The keying-in pad is kept in a hotel's office or reception area with the rack containing microprocessor, power supplies and plug-in printed-circuit boards. Operation of the early morning call system is simple and fail-safe. A standby battery ensures continued service in the event of mains failure.

Guest's demands

Demands from guests to be called in the morning are entered into the system's memory by the receptionist, who simply uses the pad to key in the relevant room number and time for the call. Any keying or systems error is immediately shown to guest and operator by a numeric display which signals a fault by flashing on and off. A call entered into the system can be cancelled or changed as required, and a print-out recording all calls and their status can be obtained at any time.

At the appropriate time, the guest is woken in his room by a buzzer mounted in a special panel in the bed-head. The guest then simply switches off the buzzer, and this fact is recorded in the system's memory and, in due course, appears on the day's print-out. Should the guest fail to react, an alarm sounds in the hotel office after a certain interval so that staff can take appropriate action. Bed-head panels can be supplied in various styles and colours and can accommodate other switches and facilities – room service call-button, light switches, a clock, and a radio.

Further information: circle 524

Radio-telephone fitted in a briefcase for travellers

Technological development in two-way radio communication is marked by the introduction of a radio-telephone in a briefcase, based on equipment manufactured in the United Kingdom by Car Phone Consultants Ltd. It enables the user to pass and receive messages through a nationwide relayphone system 24 hours a day and seven days a week – in the car and on trains or boats. The system cannot, at present, connect the user to the Post Office telephone network.

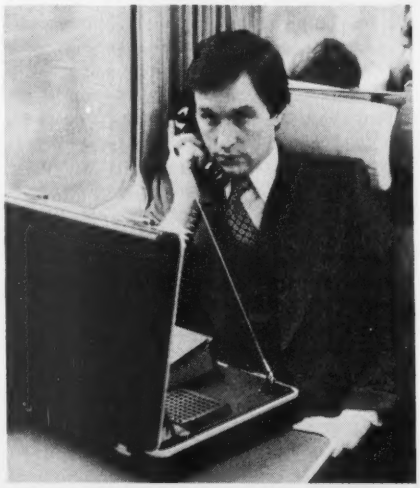
The equipment is housed in a resilient black briefcase complete with a collapsible antenna. Standard sets are equipped with a microphone but a hand set is an optional extra as is a selective call facility and a special antenna for continual car use.

The telephone operates through the Securicor Relayphone's extensive radio communication network, enabling the user to call one of thirty-eight radio control stations which, in turn, conveys the message onwards, obtaining and passing on a reply if necessary. Subscription to Relayphone gives entitlement to a service which includes road and weather reports and the booking of hotels, theatres and restaurants.

A selective call facility enables the user to be unaware of the telephone's existence except at such times as a control room has a personal message to convey.

Further information: circle 525

Always in touch.



Parliament

Monday, 18 June

UK shipping orders

Alec Woodall (Hemsworth) asked what was the total in gross tons of new orders by United Kingdom shipowners in 1978 and up to the latest date available in the current year, and the total new orders given by United Kingdom shipowners to United Kingdom yards in those periods; and what were the amounts in compensated gross tons.

Mr Marshall gave the following information.

NEW ORDERS PLACED FOR UK REGISTRATION (MERCHANT SHIPS 100 GROSS TONS AND OVER)

	1978		1979, Q1	
	Gross tons '000	Compensated gross tons '000	Gross tons '000	Compensated gross tons '000
In United Kingdom yards	100	128	58	93
In overseas yards	125	179	34	49
Total	225	307	92	142

Microwave ovens

Neville Trotter (Tynemouth) asked the Secretary of State for Trade whether he was satisfied that adequate standards were maintained over the design of microwave ovens and that there was no danger to health from such ovens.

Mrs Oppenheim said that microwave ovens came within the scope of the Electrical Equipment (Safety) Regulations 1975 which, among other things, required electrical equipment used in the home to be so designed and constructed that when in use it did not emit any kind of radiation so as to be dangerous. It was understood that all microwave ovens on sale in the UK complied with British Standard 5175: 1976 which required microwave exposure to be within 5 mw per cm^2 measured at 5 cm distance and there was no reason to believe that radiation within this limit presented any danger to health.

Lomé II

Frank Hooley (Sheffield, Heeley) asked what proposals had been made in negotiations of Lomé II concerning rules of origin of manufactured products from the African, Caribbean and Pacific (ACP) countries to enable them to benefit from EEC tariff preferences.

Mr Parkinson said that the community had reached a substantial measure of agreement with the ACP states on the rules of origin to be applied under the successor arrangements to the Lomé convention. The changes envisaged included simplification and improvement of origin procedures, a relaxation of the rules for nine products, and an improved, quicker and more flexible derogation procedure.

Milk imports

Dr Edmund Marshall (Goole) asked how much liquid milk was imported into the United Kingdom in each of the last three years.

Mr Parkinson gave the following information:

UK IMPORTS OF FRESH MILK, NOT CONCENTRATED OR SWEETENED, OF A FAT CONTENT, BY WEIGHT, NOT EXCEEDING 4 PER CENT

Tonnes

1976	1977	1978
9 560	5 073	6 416

Almost all these imports were consigned from the Irish republic.

Paper tariffs

Roger Moate (Faversham) asked what changes in import duties on paper products had been finally agreed in the General Agreement on Tariffs and Trade negotiations, whether such changes had the full approval of the government and what process of ratification would be involved.

Mr Parkinson replied that the changes proposed in the community's rates of duty for the categories of paper and board imported into the community in substantial quantities are provisionally as follows:

per cent

CCT no./Type of paper[1]	Current rate	Proposed rate
48.01 A Newsprint[2]	7	4.9
ex 48.01 C Kraft paper and board (other than kraft used for large capacity sacks and paper yarn)	8	6
48.01 F Other paper and board in category 48.01	12	9
48.03 Parchment and greaseproof paper and board	13	10
48.05 B Creped, crinkled, embossed or perforated paper and board	13	10
48.07 C Coated and such-like paper and board other than papers which are coated with mica powders and papers which are ruled, lined or squared but not otherwise printed [3]	12	8 or 9
48.15 B Miscellaneous paper and board, which has been cut to size	12	9
48.16 B Box files, letter trays and the like	14	11
48.18 Stationery items	15	12
48.21 B Paper napkins for babies, put up for retail sale[3]	10	7
48.21 D Various types of hygenic papers	14	10 or 11

Notes: [1] The descriptions of product categories have been abbreviated. [2] Newsprint mostly enters duty free under tariff quotas. [3] The categories 48.07 and 48.21 are to be subdivided with two different rates applying, as shown in the table.

The lists of proposed alterations in tariffs were still subject to technical checking and adjustments and the final details were not, therefore, yet available. The changes in paper tariffs were to be implemented in eight equal annual instalments over 1980-87 except for the cut from 8 per cent to 6 per cent on kraft paper and board which is to be implemented over the period 1983-87. The community had reserved its right to stop its tariff reductions in 1984, without proceeding to the last three stages of the tariff-cutting process, if the circumstances of the time required this.

With the agreement of the then government, the EEC council of ministers reluctantly accepted the proposed paper tariff concessions on 3 April, as part of the total package of measures agreed in the Gatt multilateral trade negotiations.

A council decision would be needed in due course to conclude the necessary trade agreement, in accordance (so far as paper tariffs were concerned) with the requirements of article 114 of the EEC treaty. When the commission recommended the council to take this decision, their recommendation would be deposited with parliament for its consideration. The further steps in the international procedure, following the initialling of the agreements by the negotiators on 12 April, were not yet settled, but were expected to include the signing of a tariff protocol broadly along the lines of the tariff protocol adopted at the conclusion of the Kennedy round of trade negotiations.

Ministers

Department of Industry

Secretary of State: Sir Keith Joseph
Ministers of State: Adam Butler
Lord Trenchard
Parliamentary Under-Secretaries of State: Michael Marshall
David Mitchell

Department of Trade

Secretary of State: John Nott
Ministers of State: Sally Oppenheim
Cecil Parkinson
Parliamentary Under-Secretaries of State: Norman Tebbit
Reginald Eyre

Tuesday, 19 June

Petrochemical price rises

T. H. H. Skeet (Bedford) asked what would be the effect of the progressive increase in the prices of light distillates on the prices of petrochemicals.

Mr Mitchell said the very substantial rise in the price of naphtha, an essential feedstock for the UK chemical industry, had already led to an inevitable increase in the price of petrochemicals and downstream products. However the increase in product prices had not been proportionate to the rise in the price of naphtha.

Co-operative certificates

Jim Craigen (Glasgow, Maryhill) asked the Secretary of State for Industry if he would list those bodies which had received a certificate under section 2(2) of the Industrial Common Ownership Act 1976.

Mr Mitchell said the following bodies had received certificates as co-operative enterprises under section 2(2) of the Industrial Common Ownership Act 1976.

Name of body	Certificate issued
Scott Bader Ltd	23 March 1977
Arjuna Ltd	22 August 1977
Writers and Readers Publishing Co-operative Society Ltd	22 August 1977
York Wholefood (Common Ownership) Ltd	3 January 1978
MDB Electronics Ltd	5 June 1978
Fifty Products Ltd	8 August 1978

Bearing imports

Renée Short (Wolverhampton North East) asked the Secretary of State for Trade if he would introduce import controls on ball bearings and other engineering products from heavily export-orientated countries such as Taiwan, South Korea and Singapore where low wages enable these countries to hold down prices to levels which are below British cost levels.

Mr Parkinson said that imports of these products from Taiwan, South Korea and Singapore in 1978 were low, and present evidence did not suggest there was any case for import controls.

EEC sea and air transport decisions

Eric Deakins (Waltham Forest, Walthamstow) asked what decision the EEC council had taken under article 84.2 of the treaty of Rome as to the extent and by what procedure appropriate provisions might be laid down for sea and air transport.

Mr Tebbit said that the EEC council of ministers had taken no general decision in relation to policy on sea and air transport. Specific issues had been considered on a case-by-case basis. No measures had yet been adopted concerning air transport. But, on the shipping side, a number of decisions had been taken unanimously under article 84.2. These had included the establishment of a consultation procedure on relations with third countries, a decision to monitor certain liner trade routes, directives concerning the entry of tankers into community ports and pilotage, and a regulation on accession to the UN convention on a code of conduct for liner conferences.

Coal imports

Alec Woodall (Hemsworth) asked how much coal was imported in the year ended 31 March on a country-of-origin basis and what was the average price per tonne of imported coal on the same basis.

Mr Parkinson said that figures for the 12 months ended 31 March were not yet available and he gave the following information for the period February 1978 to January 1979:

	Tonnes	Average value per tonne [2] (cif) (£)
Total	2 197 519	32.70
of which consigned from [1]:		
Australia	949 740	25.93
Poland	412 248	31.55
United States	384 351	36.84
Federal Republic of Germany	219 490	51.00
Soviet Union	95 830	42.03
Irish Republic	59 650	26.74
South Africa	30 151	31.28
Morocco	23 426	49.79
Belgium-Luxembourg	18 326	54.43
Sweden	1 960	27.50
Netherlands	1 712	36.65
France	630	47.59
Norway	5	40.00

Notes: [1] Corresponding information by country of origin could be provided only at disproportionate cost. [2] Values per tonne, derived from the Overseas Trade Statistics, are not true prices; they are influenced by differences in the type and quality of the coal imported.

EEC anti-dumping procedures

Roger Moate (Faversham) asked the Secretary of State for Trade, if he was satisfied with the speed and efficiency of the present methods of processing anti-dumping applications.

Mr Parkinson said the European commission was very conscious of the need to act swiftly and to defend efficiently a community industry when anti-dumping action was justified and it had certainly used its powers effectively. But cases could be complex and needed detailed investigation. The community – and other signatories – were bound by the provisions of the Gatt anti-dumping code which, among other things, required full and conscientious examination of the facts. Bringing some applications to a final determination might therefore take some time.

Export prices of manufactures

Austin Mitchell (Grimsby) asked what had been the percentage change in relative export prices for manufactures in new export orders for mechanical engineering and in the export of manufactures by main manufacturing countries for each quarter since 1974.

Mr Parkinson gave the following information:

Percentage changes on previous quarter

	Relative export prices of manufactures [1]	Volume of mechanical engineering new export orders [2]	Volume of exports of manufactures by the main manufacturing countries [3] [4]
1974			
1st qtr	+1½	−2	+4½
2nd qtr	+1½	−5	+1
3rd	−0	−21	+2½
4th	+0	−1	−1½
1975			
1st qtr	+4	−8	−6½
2nd	−½	−4	−1
3rd	+½	−8	+1½
4th	−0	−3	+6
1976			
1st qtr	+2	+16	+3½
2nd	−5½	−4	+1
3rd	+1½	+18	+2
4th	−4	+22	+2½
1977			
1st qtr	+5	−10	+½
2nd	+3½	+10	−½
3rd	+1½	−18	+1½
4th	+3½	−5	+2
1978			
1st qtr	+3p	+2	na
2nd	−5½	−7	na
3rd	+3p	+12	na
4th	na	−2	na

Notes: [1] The ratio of UK export unit value to a weighted average of competitors' export unit values, both expressed in a common currency. Published in table B23 of the *Monthly Review of External Trade Statistics*. [2] New orders, net of cancellations, received by UK companies, at constant 1975 prices, seasonally adjusted. Source: Business Monitor PM 33-36. [3] Volume index on 1970 = 100 seasonally adjusted. Source: table C1 of the *Monthly Review of External Trade Statistics*. Comparable information for 1978 is not available. [4] The main manufacturing countries are taken as the UK, the Federal Republic of Germany, France, Italy, Belgium/Luxembourg, Netherlands, Sweden, Switzerland, United States Canada and Japan. p = provisional. na = not available.

Wednesday, 20 June

Accidents on the Thames

Sir Bernard Braine (South East Essex) asked what was the number of ships involved in accidents on the River Thames and estuary in each of the years 1976, 1977 and 1978, showing separately the number of cases where it was thought necessary to investigate, to call for a report or to conduct an inquiry under the Merchant Shipping Act; and in how many such cases ships were carrying cargoes of a hazardous or pollutant nature.

Mr Tebbit replied that the number of accidents reported to the Port of London Authority, involving vessels of all kinds, including pleasure craft, in the area of the River Thames and estuary within the authority's jurisdiction, was:

	1976	1977	1978
	128	137	192
of which vessels were carrying hazardous or pollutant cargoes.	21	14	28

All reported accidents were investigated by the Port of London Authority. Additionally, under the Merchant Shipping Act, the department investigated or called for reports in 17 (1976) and 24 (1977) of these cases, including one preliminary inquiry; the corresponding departmental figure for 1978 was not yet readily available and could not be produced without disproportionate cost.

Air security levy

Michael Shersby (Hillingdon, Uxbridge) asked for an indication of the rate of aviation security levey for 1980-81.

Mr Tebbit said that present indications were that the levy rate for 1980-81 would be about £1.10. The rate would be fixed towards the end of the year when the draft regulations were laid before parliament. Full figures for the first year were not yet available, but it was estimated that a surplus would be carried forward from 1978-79, when the levy was 80p, and a deficit from the current year, for which the levy was 85p. The levy rates which would have precisely covered the expenditure in each year were estimated to be 76p and 93p respectively, an increase of 22 per cent between 1978/79 and 1979/80.

Visitors' cars

Michael McGuire (Ince) asked for an estimate of the annual number of visitors to the United Kingdom who either hire or bring their own cars and of the retail value of the petrol they buy.

Mr Parkinson estimated that about 0.6 million cars accompanied foreign visitors to the UK on the sea-routes from western Europe, excluding the Irish Republic, in 1978. The other information requested was not available.

Exports and imports

Austin Mitchell (Grimsby) asked what was the volume increase in exports and imports of manufactured goods in 1976 over 1975, 1977 over 1976, 1978 over 1977 and the latest four months for which figures are available over the comparable four months of the previous year.

Mr Parkinson gave the following information:

VOLUME OF UK TRADE IN MANUFACTURED GOODS
(Percentage change on a year earlier)

	Exports	Imports
1976	+9	+9½
1977	+8½	+10
1978	+2	+13
Jan-April 1979	−7	+11

Manufactured goods are defined as sections 5-8 of SITC (rev 2).

Note: The trade figures for the first four months of 1979 have been distorted by disruptions to the flow of information on which they are based and by the effect of the road haulage dispute. The distortions have reduced both exports and imports over this period; thus, the percentage changes given above for the January-April period are lower than what they otherwise would have been.

Mr Mitchell also asked what was the ratio of the increase in manufactured export prices over the period 1952 to 1978 to the corresponding increase in domestic wholesale prices for each of the eight largest manufacturing countries.

Mr Parkinson gave the information in the table for the latest period for which full information is available. He said that however, as methods of defining and calculating export unit value and wholesale price indices differed within and between countries, for example in composition, the figures were not wholly comparable. The group of the eight largest exporters of manufactures was based on information for 1977.

COMPARISONS OF MANUFACTURED EXPORT UNIT VALUE AND WHOLESALE PRICE INDICES

Country	UVI 1978 [1] UVI 1952	WPI 1978 [2] WPI 1952	a b
Belg/Lux [3]	1.40	1.76 [4]	0.80 [4]
France	3.29	2.74	1.20
Germany	1.35	1.62	0.83
Italy [3]	2.51	3.54	0.71
Japan [3]	1.32	1.92	0.69
Netherlands [5]	1.60	2.02	0.79
United Kingdom	4.32	4.27	1.01
United States [3]	2.59	2.19	1.18

[1] Export unit values for manufactured goods. [2] Wholesale price indices are subject to variable coverage. [3] 1952 to 1977. [4] Wholesale price index for Belgium alone. [5] 1953 to 1977.

Sources: UK – Department of Trade estimates; other countries: IMF International Financial Statistics May 1977, May 1978, June 1979; UN *Statistical Yearbook 1962*; *Monthly Bulletin* March 1978.

DC-10s' airworthiness

John Smith (Lanark North) asked the Secretary of State for Trade if he would make a statement on the decision of the Civil Aviation Authority (CAA) to reinstate the certificates of airworthiness of British-operated DC-10s.

Mr Tebbit said that since the CAA suspended the certificate of airworthiness of British registered DC-10s it had been in close touch with the United States' Federal Aviation Administration (FAA) and with European aeronautical authorities. The European authorities had had a number of meetings, culminating in a meeting in Zurich on Monday where new maintenance and inspection procedures for the DC-10 were agreed. The FAA had an observer at that meeting.

Mr Tebbit said that the issue of certificates of airworthiness was a matter for the CAA which had laid upon it by the Civil Aviation Act of 1971, section 27 subsection 2, the duty to consult the Airworthiness Requirements Board 'on all matters appearing to the authority to be of significance as respects the standards of design, construction and maintenance by reference to which certificates of airworthiness for aircraft are to be granted or renewed in pursuance of Air Navigation Orders' and no powers of direction were given to the secretary of state in this regard.

The board of the CAA having consulted the Airworthiness Requirements Board decided in the light of the information obtained from the FAA and of the

new maintenance and inspection procedures that they should restore the certificates of airworthiness of British registered DC-10s. This they did after being satisfied that the aircraft involved had been subjected to the new and more stringent inspection procedures.

In addition to DC-10s on the British register, other European aeronautical authorities had reinstated the certificates of airworthiness of their aircraft. He understood from the CAA that the FAA had throughout given it the fullest information and co-operation.

Thursday, 21 June

Trade descriptions

Robert McCrindle (Brentwood and Ongar) asked the Secretary of State for Trade if he would introduce amending legislation on trade descriptions so that protection was extended to services as well as goods; whether he would ensure that this would extend to protection against shoddy building services.

Mrs Oppenheim said the Trade Descriptions Act 1968 already prohibited certain kinds of false statements about the provision of services.

She was, however, concerned about the number of consumer complaints about shoddy building services and the Director General of Fair Trading had started a preliminary review of the home improvements sector of the building trade. The services to be reviewed included painting and decorating, plumbing, double-glazing, rewiring, roofing, dampproofing, insulation and home extensions. The exercise should enable any major problems to be identified and provide a basis for seeing how best they might be tackled.

Friday 22 June

Umbrellas

Michael Brotherton (Louth) asked what interest the British Steel Corporation had in the manufacture of umbrellas, what profit or loss was made in the operations in the latest year for which figures were available, and what plans there were to sell the interest to the private sector.

Mr Marshall said none. The subsidiary of BSC (Samuel Fox, which is now BSC Stocksbridge) sold its interests in umbrellas in 1970.

Price controls in the EEC

Jim Craigen (Glasgow, Maryhill) asked the Secretary of State for Trade if he would list for all the member countries of the European Economic Community details of the measures in force in each country aimed at regulating or reducing prices.

Mrs Oppenheim said that comprehensive information could only be obtained at disproportionate cost. The following notes, however, summarised the position in each member state in general terms:

Belgium: price increases by undertakings above a certain size must be notified three months or more in advance and the government may take sanctions. The maximum prices of food and some consumer goods are controlled.

Denmark: both wages and prices are governed by an act of March 1979 which extended the existing wage agreement and limited price increases to cost increases less wage increases above the stipulated levels.

France: although prices have been controlled for much of the time between 1945 and 1978, the present government is dismantling many of the controls which have been in force in recent years. With minor exceptions, industrial product prices were freed in 1978 and it is hoped to free the prices of services and the profit margins of distributors by the end of 1979.

Federal Republic of Germany: in general prices are not subject to any controls. The exceptions to this are the prices of pharmaceuticals, government-controlled services such as transport, telephone and postal charges and prices subject to government authorisation (electricity, rents under the social housing policy and certain professional fees).

Irish Republic: Some goods are subject to maximum price orders.

Italy: the prices of some commodities and services are subject to specific legislation. There have also been price freezes in recent years.

Luxembourg: with exception of certain commodities and perishable goods, price increases must be notified at least 60 days before the intended date of implementation. In addition maximum prices (eg potatoes) may be set by decree.

The Netherlands: intended price increases must by prenotified to the Ministry of Economic Affairs. The ministry in general only allows increases if they can be justified by increased costs and if the amount of the increase is within the limits they themselves set.

United Kingdom: the order requiring large firms in both the public and private sectors to pre-notify the Price Commission of intended price increases was revoked with effect from 24 May 1979. A bill to abolish the Price Commission will be introduced shortly.

Overseas trade news

Counter trade 'a fact of life' – Parkinson

Chinese concern about their limited sources of foreign exchange is leading them to closely examine counter trading as a way of increasing trade, said Cecil Parkinson, Minister for Trade, on 21 June.

Mr Parkinson told a seminar of businessmen in London that he was confident China would remain a significant, valuable market for Britain despite the lull resulting from the current reassessment by China of its modernisation programme. As a major aspect of that reassessment, the Chinese were looking at new ways of financing the plant and equipment they would like to import. Foremost among these was counter trade.

Mr Parkinson explained that, on the whole, the British government, like most other governments of countries with mixed economies, did not encourage counter trade practices. 'In our view money was invented to provide the most flexible and efficient means of exchanging goods between people and between countries; its use enables us to buy in the cheapest market and to sell in the dearest. Counter-trade arrangements, of whatever kind, are always administratively cumbersome to work out, negotiate and implement.' They might also, he said, cause a conflict of interest between the British exporter and other interested parties in Britain who might believe that their business would be adversely affected by a counter-purchase commitment.

'Nevertheless we recognise that a number of countries, which are concerned about the uncertainty which can result if the financing of export and imports are wholly divorced from each other, require business to be done on this basis; as international traders we are ready to accept this as one of the rules of the game and to raise no objection to our firms concluding agreements of this kind.'

He pointed out that the department of Trade had prepared a note on the subject which was available to any exporter (Commercial Relations and Exports Division 2, Department of Trade, 1 Victoria Street, London SW1H 0ET, tel. 01-215 5367) and which included a list of traders experienced in the intricacies of counter trade. 'We consider that it is up to our firms to decide for themselves when such arrangements are necessary and to ensure that they are profitable. But I should make it clear that when firms do decide to accept a counter-trade commitment, the government's help to exporters is just as available as when they do not, even though we would not ourselves become involved in the counter-purchase aspects.' ECGD cover, for example, was available on the same basis as it would be for any other export business provided that the export and import transactions were kept contractually separate.

Invisible export

Mr Parkinson explained that one of the attractions of counter-trade arrangements for some countries was that they were given access to marketing skills which they did not themselves possess. And, if the arrangements were such that these skills were paid for, 'they seem to me to amount to an invisible export of services and thus to be a benefit to the British economy'.

Joint ventures

Although many counter-trade deals might involve the purchase of the product of the equipment sold by the exporter or other finished goods, there were other methods of joint trading which might commend themselves, Mr Parkinson said, such as joint ventures or the production of components under supervision. 'We do not want to see the wholesale export of jobs but, for example, co-operation in the manufacture of an item which cannot competitively be exported from Britain might well prove to be an arrangement of benefit to all parties.'

Import restrictions

But, Mr Parkinson warned, some countries had in the past tried to use counter trade as a way of getting round import restrictions. The British government was anxious to maintain free trade wherever possible and, in common with its EEC partners, apply restrictions only where these were necessary to provide a measure of protection for native industries which were of vital importance to the economy. The government would not however permit

China seeks advice on developing tourism

In the UK seeking advice on developing China's tourist industry was a delegation led by Zhao Zingyang. He and members of the delegation met Norman Tebbit, Parliamentary Under-Secretary at the Department of Trade with responsibility for tourism, on 15 June.

counter-trade arrangements to be used as a way around these restrictions and British firms had a responsibility not to agree to take counter-trade goods for import into the UK which would exceed the various import limitations, although this did not apply to arrangements to dispose of such goods in third countries.

'Counter trade is a fact of life,' he concluded, 'and we must adapt to it where possible. Chinese thinking is at an early stage. They have a relative lack of experience in some of the more recent developments in international trading and are still feeling their way in these areas. In this respect Britain, with our long history as a trading nation, can surely help them.'

UK/Norway tax talks to start

Discussions are to be held about a revised comprehensive double taxation convention between the UK and Norway.

It is expected that the talks will bring the existing convention up to date broadly along the lines of the model convention drawn up and published by the Organisation for Economic Co-operation and Development.

Representations about the revision of the convention are invited, and should be addressed, in writing, to Policy Division 5 (International), Room T7, West Wing, Somerset House, London WC2R 1LB, to arrive not later than 1 September.

OECD report points to benefits of third world trade

Western industrialised countries stand to gain considerable benefits from increasing trade in manufactures with newly industrialising countries (NICs) such as South Korea, Mexico and Brazil, if appropriate policies are followed on both sides.

This is the main message of the first report prepared by the Organisation for Economic Co-operation and Development (OECD) on relations with NICs, increased competition from which has been a cause of some concern in developed countries.

For advanced industrialised countries these benefits will take the form of cheaper goods for consumers, a spur to increased productivity and reduced inflation at home, and new and prosperous export markets abroad, the report points out. And for newly industrialising countries, they include higher investment, productivity and real incomes and the foreign currency needed to help finance accelerated economic development.

The detailed analysis is based on a representative sample of 10 countries – Brazil, Greece, Hong Kong, South Korea, Mexico, Portugal, Singapore, Spain, Taiwan and Yugoslavia – which have significantly increased their share in world production and exports of manufactured goods since the early 1960s.

The report however suggests that OECD exports of manufactures to the NICs created around half a million more jobs than were lost to imports from them. Although NICs included in the study have together increased their share in OECD imports from 2.6 per cent in 1963 to 8.1 per cent in 1977, only slightly more than 1 per cent of OECD consumption of manufactures came from NICs in 1976–77.

The report says that, in the longer run, strong economic, social and political forces are pushing towards a balanced trading relationship between countries at different levels of economic development. But as long as exports of advanced industrial countries rise with, and tend for a time to exceed, imports from NICs, new market opportunities will open up.

The bulk of manufactured exports will continue to consist of investment goods, the report points out. And this will go hand in hand with rapidly growing exports of managerial and entrepreneurial skills and organisational talent in production, marketing and finance.

There is every reason to believe, the report indicates, that trade with NICs will be both balanced and mutually beneficial, but that over the short term there is no guarantee that the necessary adjustments will come about smoothly. Even within a globally satisfactory adjustment process, individual industrial countries as well as NICs are likely to get out of line.

Competition from NICs can make an important contribution to industrial efficiency and to the fight against inflation in advanced industrial countries, the report concludes, thus improving their chances of achieving sustained non-inflationary growth and higher levels of employment. Although in the short run, putting up barriers to keep out imports from developing countries may save a few jobs, the report explains, in the longer run it will mean more inflation, more restrictive practices and more unemployment.

Minister meets Egypt joint commission leader

Minister for Trade Cecil Parkinson, with Abdel Aziz Zahwy, leader of the Egyptian delegation to the UK-Egypt joint commission, held in London last week. During the talks both sides expressed satisfaction at the significant growth in trade between the two countries during 1978 and the period January to April 1979. Discussions covered economic co-operation, aid, technical co-operation, the promotion of bilateral trade, and UK participation in projects and joint venture operations in Egypt.

The UK delegation expressed interest in developments including the greater Cairo wastewater scheme, the integrated steelworks and port and associated infrastructure at El Dekheila, Alexandria, port development, hotel and tourism schemes, extension of Luxor Airport, power generation, and gas gathering and distribution projects.

Both sides noted with satisfaction the number of joint ventures involving British firms which had now been established and that a significant number of other enterprises were now exploring and studying specific opportunities. See the market report on page 584.

Second Cardiff mission to Saudi Arabia

Cardiff Chamber of Commerce and Industry has obtained approval in principle from the British Overseas Trade Board for a mission of up to 15 members to visit Jeddah, Riyadh, and Dahran from the 11 to 25 January next year. The cut-off date is 11 September.

The new event follows an earlier mission in January this year. Further information can be obtained from Mr R. C. Smale at the Cardiff Chamber of Commerce and Industry, 101-108 The Exchange, Mount Stuart Square, Cardiff CF1 6RD, or tel. (0222) 21648, telex 497492.

ECGD

The Export Credits Guarantee Department's head office is at Aldermanbury House, Aldermanbury, London EC2P 2EL, tel. 01-606 6699.

Co-operation in third country construction projects

Following the publication of a register of French companies interested in collaborating with British firms for contracts in third country markets (*Trade and Industry*, 30 March) registers of Italian, Spanish, Belgian and Greek companies, prepared by the British embassies in those countries, are now available. The registers can be consulted in Special Export Services Branch at Export House and in the export sections of the British Overseas Trade Board offices in the regions.

In due course copies will be available for sale at £50 for the Italian register, £35 for the Spanish, £15 for the Belgian and £30 for the Greek. Individual company profiles will cost £2.50.

As with the French register, the main areas of interest are construction and civil engineering, contracting, heavy engineering, plant manufacture, electrical supplies and consultancy. As well as being useful to contractors and consultants, this information could be of interest to manufacturers and suppliers as it includes information about purchasing policy and points of contact.

Further information is available from the Special Export Services Branch (Section 4), Room J25, Export House, 50 Ludgate Hill, London EC4M 7HU.

Soft top TR7 makes debut in US

The TR7 convertible made its debut in the United States last month. It is being promoted by BL's US subsidiary, Jaguar Rover Triumph Inc, as 'the first volume produced soft top car to be launched in the United States for a decade'. The new car which is the first of a family of TR7 derivatives is built at the Triumph factory in Coventry and fitted with the current 2-litre, two-valve engine. For the time being it is only available in the United States.

ECGD backs £2.5m line of credit for Sweden

A £2.5 million line of credit which Midland Bank has made available to Svenska Varv AB of Sweden has been guaranteed by the Exports Credits Guarantee Department.

The loan will enable Svenska Varv AB to place orders in the UK for capital goods, equipment and associated services. UK suppliers will receive 80 per cent of the contract value from the loan and the remaining 20 per cent is payable by Svenska Varv AB. To qualify under the terms of the loan a contract must have a minimum value of £50,000 and be placed by December 1980.

Exporters interested in further details of this facility should contact either Mr S Giles-Medhurst of ECGD (tel. 01-606 6699 ext. 351) or Mr F. J. Saitch of Midland Bank (tel. 01-606 9944 ext. 5253).

Disclosure of import information

Consideration is being given, under section 10 of the Customs and Excise Management Act 1979, to the disclosure of information on the following goods:

SITC(R2)/Trade description	Code no.
674.61	
Sheets and plates or other than high carbon or alloy steel:	
Not further worked than cold-rolled, of a thickness of:	
Not less than 2 mm but less than 3 mm	7313 4300
More than 1 mm but less than 2 mm	7313 4500
Not less than 0.5 mm but not more than 1 mm	7313 4700
Less than 0.5 mm	7313 4900
674.91	
Other sheets and plates or iron and steel, worked (eg polished, coated, cut to non-rectangular shape, perforated, corrugated, channelled, ribbed, chequered, embossed or rounded at the edges):	
Of other than high carbon or alloy steel (excluding tinned sheets and plates):	
Zinc-coated or lead-coated (ECSC):	
Electrolytically zinc-coated (electro-galvanised)	7313 6700
Otherwise zinc-coated (including hot-dipped galvanised):	
Corrugated	7313 6800
Other	7313 7200

The government is consulting the Association of British Chambers of Commerce, 6-14 Dean Farrar Street, London SW1H 0DX, on these proposals and the association will take into account any views received from importers by 20 July 1979.

Inquiries may be addressed to Economics and Statistics Division 5 Branch B2, Department of Industry, 1 Victoria Street, London SW1H 0ET, tel. 01-215 5770.

Notices to importers

Issued by the Department of Trade, Import Licensing Branch, Charles House, 375 Kensington High Street, London W14 8QH. Telephone inquiries should be addressed to the number at the end of the notice.

1744: imports of wool tops from Argentina

As already announced the EEC has negotiated with Argentina a restriction on imports into the UK of carded or combed wool (wool tops) falling within tariff heading 53.05 and originating in Argentina.

Pending enactment of community legislation, the provisions of the arrangement are being operated de facto as set out below. The goods affected and the quota established for such goods exported from Argentina in 1979 are as follows:

Category no./Tariff heading/Description	Quantity
46/ex 53.05 Sheep's or lambs' wool or fine animal hair, carded or combed	280 tonnes

On or after 1 July these goods may be imported into the UK only under the authority of an individual import licence.

Licensing arrangements

The Argentinian authorities will administer the quota by issuing to their exporters export certificates endorsed to the effect that the consignments have been debited against the agreed ceiling for exports to the UK. These certificates should be submitted by UK importers, in support of a completed form ILB/A, to Import Licensing Branch, which will issue import licences up to the quota limit.

Goods in transit

The Argentinian authorities will issue duly endorsed export certificates for these newly restricted goods for consignments exported from Argentina on or after 1 July. Goods in transit to the UK on or before 30 June will be licenced without the requirement for an export certificate to be produced provided that satisfactory evidence (ie bill of landing or airwaybill) of the date of shipment of the goods is supplied to Import Licensing Branch in support of a completed form ILB/A; applications in respect of such goods should be sent to reach Import Licensing Branch not later than 23 July.

Imports for re-export

Imports of restricted textiles will not be set off against the quotas if they are re-exported in the same state or after limited processing.

The general import licensing arrangements for restricted textiles re-exported from the UK are set out in NTI 1740.

Inquiries: Import Licensing Branch, tel. 01-603 4644 ext. 367.

MARKET REPORT: EGYPT

An Anglophile country with great potential

Egypt has always been an important market for British goods and the recent peace treaty should result in even better export prospects for British exporters as Malcolm Dougal, first secretary (commercial) at the British embassy in Cairo, explains.

Egypt has been making headline news for over 5000 years. The events of the last 18 months, since President Sadat made his historic visit to Jerusalem, have ensured that it will continue to be watched by the world. As the meeting point of Europe, Asia and Africa, it has always been a country of great strategic importance. But today it is more than that. A land of over 41 million people, all of whom are consumers of at least some western-made goods, it has a fast-growing and gradually improving economy. With its population growing at a rate of one million per annum (over one-third of the total population of Libya), it makes up nearly half the total population of the whole Arab world and is strongly Anglophile, with British brand names and expertise held in high regard. British exporters cannot afford to ignore this growing market.

British exports

Although last year Egypt bought £205 million of British goods, it was only Britain's thirty-sixth largest customer. But, for some firms, it was their largest or nearly their largest export market. Main purchases from Britain last year were telecommunications equipment (£8.7 million), construction and earth-moving machinery (£7.8 million), cigarettes (£7.75 million) and scientific instruments (£6.1 million). It is significant that no one product predominates. Egypt buys a very wide range of British products, machinery and equipment, which it either cannot make itself or cannot produce to the same standard or in large enough quantities.

Finance

The Egyptian pound is a non-convertible currency, so British exporters who accept payment in it need expert local advice and a clear understanding of the risks involved.

Like all developing countries, Egypt has faced a shortage of foreign exchange to finance purchases of goods for investment and consumption. In addition, since 1948, it has carried a heavy burden of defence expenditure. In recent years, however, the overall position has improved and hard currency is now more readily available. This is partly due to the substantial amounts of aid which Egypt has received from bilateral and multilateral donors in the form of balance of payments support and project finance. But Egypt also has its own increasing foreign exchange receipts represented, in order of importance, by remittances from Egyptians working abroad ($1.8 billion in 1978), exports (mainly oil and agricultural produce), revenue from the Suez Canal, earnings from tourism (over one million visitors in 1978) and the Sumed pipeline dues. There are also some holdings of foreign exchange owned by Egyptians which are used for the purchase of goods destined for Egypt. Egypt can, therefore, finance a proportion of her import bill from her own revenues; her relatively liberal policy on remittances has also meant that private individuals and companies have access to foreign exchange. Nevertheless, the availability of finance can still be a significant factor in determining the award of contracts, particularly those connected with large-scale infrastructure projects of the kind listed below.

Priorities and projects

The Egyptian government's priorities, in rough order of importance, are: to improve the supply of food, partly by imports of wheat, flour, meat, tea and cooking oil and, secondly by increasing agricultural productivity which includes land reclamation and the establishment of new agro-industries; improvements in housing and construction, particularly increased production and imports of cement, reinforcing bar, glass, timber, wood and metal window frames, as well as new construction techniques – there is particularly an urgent need for more housing of all grades; infrastructure development – there are massive schemes afoot, mainly primed, but not exclusively paid for, by foreign aid, for the development of the telephone system, urban transport, electricity and gas, sewage and water; defence – a whole range of requirements to modernise the armed forces; and modernisation and expansion of the 190 state-owned factories, particularly in the textile and food sectors, and encouragement of foreign investment in new factories and services.

The private sector is of increasing importance. The seven public sector state trading companies still exist but most foreign firms now have private sector agents. Although 70 per cent of Egypt's industrial production still comes from the public sector, some new private sector factories have been set up.

In addition, the Egyptian authorities are particularly concerned to encourage joint ventures as a means of attracting foreign investment and know-how. There are many potential joint venture partners in the private and public sectors. All joint ventures, even if between two Egyptian public sector firms, automatically become private sector businesses. So far, probably only 20 or so manufacturing joint ventures have been set up under the Investment Laws no. 43 of 1974 and no. 32 of 1977 (there are many more in the service field).

Investment is controlled by the General Authority for Investment and Free Zones with whom all discussions take place, but this body has to seek the approval of the responsible ministry for each investment. Potential foreign partners proposing to operate in an area where there is an established public sector manufacturer may be encouraged to take that manufacturer as a partner in the joint venture. Projects with a private sector company, once approved, are much more likely to go ahead quickly, as such partners want to make money quickly and, if influential, can overcome bureaucratic delay.

You will not be alone

Current British involvement with Egypt is considerable. About 115 firms have resident representatives here, roughly half of them in the service (mostly construction) field.

Several firms are also involved in major projects including a tunnel being built under the Suez Canal by Tarmac Ltd in consortium with Arab contractors. The consulting engineers for the project are Sir William Halcrow and Partners who are also involved in one of the three consortia of British consultants carrying out Overseas Development Administration (ODA) financed studies for the Suez Canal towns. The ODA is also financing a study by British consultants of a major land reclamation scheme near Alexandria. Brent Walker Ltd has invested in, and project-managed, the construction of the luxury El Salaam Hotel. Six British firms, including Acrow Ltd and Wilkinson Sword Ltd, have factories open or under construction and 24 other projects by British-based firms to set up factories in Egypt are known to the embassy. At least a dozen others are looking at the possibilities of manufacture under licence. Non-British firms with, or known to be planning, factories include Michelin, Iveco, Fiat, VW of Brazil, Union Carbide, Siemens, Colgate and Xerox.

A number of major contracts in the military field have been won by British firms. In the civilian field, Platts has recently supplied textile machinery for a new mill, Simon Engineering Ltd, machinery for a number of flour mills, and STC, telephone cables. But many other major contracts, ranging from railway signalling and rolling stock (West Germany), Suez Canal widening (Japan and France), Sumed pipeline (Italy), major hotel construction (Italy, Finland, Switzerland and France) have gone to non-British firms. A number of these contracts has been awarded to other countries under bilateral aid agreements but other orders have been lost by British firms because of the lack of persistence or local knowledge or productive capacity. Although the Egyptians generally and genuinely prefer to order British products because they trust, respect and like the British, they will not hesitate to go elsewhere if British firms cannot offer the right goods, in the right place, at the right price and at the right time.

Within the overall civil development plan, the Egyptian government has given priority to a number of major projects. In rough order of importance, these are:

☐ **El Dekheila steelworks and associated harbour.** This takes the form of a joint venture, probably with the Japanese, to produce 800 000 tonnes of reinforcing bar per annum. There will be substantial international pur-

chasing. Cost is about $1 billion with a starting date of 1980/81.

☐ **Exploitation of the Abu Tartour phosphate deposits in the Western Desert.** Planned production is put at 10 million tonnes per annum. A trial mine starts in 1980 and the total project cost is estimated at $1 billion.

☐ **The Cairo waste water project.** This involves the rehabilitation and extension of Cairo's sewage system. Work is already under way in drawing up the plans and is being shared by a joint British (Taylor-Binnie Consortium) and American team. The project will take about 20 years to complete and will cost in the region of $2 billion. First contracts are expected to be let this year. The British government has promised £50 million of tied aid in support of this development.

☐ **Power stations.** The shortage of power means the establishment of new power stations. Suez 3 and 4 and a new station at Shoubra (near Cairo) will provide substantial opportunities. Estimated cost is about $700 million and tendering should begin in 1980/81.

☐ **Installation of a natural gas distribution network** for which British Gas is the adviser. The new network will initially serve 160 000 Cairo consumers and, later, perhaps some parts of the Delta. The installation contract will be let in late summer this year.

☐ **Telecommunications improvements** involve the expansion of service from 350 000 telephones today to 4½ million by the year 2000. Substantial local manufacture is envisaged. The total cost is of the order of $2 billion and the decision on the system to be used is likely to be taken by the end of this year.

☐ **Amriya New City** near Alexandria will have not only substantial new factories (those so far planned include a textile complex, vehicle and tractor assembly lines, dry batteries, toiletries and petrochemicals manufacture) but a new city and a new airport for Alexandria as well as, nearby, the El Dekheila complex referred to above. The first parts of the city are already under construction.

In an effort to ease traffic congestion in Cairo, the Cairo Metro has been planned by French consultants, the first stage to link to existing suburban railway lines in a cut and cover tunnel at a cost of $250 million. No finance is yet available for this, nor has a decision been taken to go ahead. Talks are currently being held with the French about financing. There is also talk of a metro for Alexandria, but consultants have yet to be appointed. There is also a substantial requirement for city and inter-city buses and for trucks and vans to supply the needs of 41 million people.

Approaching the market

Although many of the main developments are aid-financed, there are nonetheless significant opportunities for British firms. But how should firms go about getting some of this business? The British embassy can tell you which organisations are involved and who to contact. It can give you a short list of agents (you will need someone to promote your interests and in any case you are required by law to submit offers and tenders issued by public sector companies through an agent). You will then have to be prepared to visit Egypt very frequently. Here, as elsewhere, business is won not only on technical merit: what counts is persistence, a competitive price and an acceptable financial package. ECGD is prepared to offer cover for sound business in both the public and private sectors but it is in your own interest to make early contact with the Department of Trade.

Aerial view of temporary west bank portal of the tunnel under the Suez Canal being built by Tarmac Ltd.

Consumer goods

There is a large and growing market for consumer goods even if duties are often very high (331 per cent on Scotch, 250 per cent on domestic appliances). But books, clothes, foodstuffs, toys and car accessories in particular offer great potential. Many British brand names (for example Aspro, Rothmans, Austin/Morris and Wilkinson Sword) are well known – even in remote villages. The ground has therefore been prepared and there is the chance for all British companies who make the effort to get ahead of the competition. There are many ways of making your products known. Most villages and many urban homes now have a television set and television advertising is much watched. Most Egyptians have a radio, posters are widely used, and there are a number of international trade fairs – the largest of which is the Cairo international trade fair held every March. Chain stores served by experienced agents are also another important outlet.

Prospects

What are the prospects for British business in Egypt after the peace treaty? Certainly as good as they were before and, in the long run, as Egypt experiences increasing prosperity, they should be much better. There will be some immediate increase in American (tied) aid – it is already running at $1,000 million per annum – but in many cases this will be spent on goods which either the UK cannot supply (agricultural produce) or in additional purchases, for instance, replacement vehicles. Thus American aid does not necessarily mean lost business for Britain.

Politically there is likely to be a period of uncertainty for some time. But the other Arab countries have only decided to boycott those Egyptian firms who deal with Israel, which will be a small minority. So when things settle down it seems unlikely that Arab countries will not accept Egyptian exports. Thus firms planning to export from joint ventures in Egypt should in the longer run have little cause for concern.

In the longer term, a peace treaty should mean more expenditure on civilian projects and more investment and greater opportunities for all suppliers. But British firms hoping to profit from this must lay the foundations for success now. They will only be taken seriously when their representative (preferably the same one each time) has been to Egypt four or five times over a period of 6-12 months and made himself known. Large tenders are increasingly being put out to restricted tender: to get on the list means registration, pre-qualification, cultivation of contacts and persistence.

Since Egypt is developing so ambitiously, a good many opportunities are presented in the form of jumbo projects where participation in a consortium, preferably all British but sometimes with a foreign partner, is a distinct advantage. It helps particularly to arrange the necessary finance. So this type of co-operation and joint approach should always be borne in mind. It goes without saying that if there is one British consortium in the running for a big contract, it is easier for the embassy to put its full weight behind it.

Egypt is going places. Not only is it a fascinating place to visit it can be a profitable place to export to and in which to invest. There are considerable problems still – a frustrating telephone system, a short working day, traffic and port congestion, intransigence of customs officials, bureaucracy and a shortage of hotel rooms – but persistence brings its rewards and many British firms are making money here.

Come and see for yourself. We will be very happy to advise you, on sales, on investment and on invisible exports. But start now before the competition beats you to it.

Further information

Further information on trade opportunities in Egypt can be obtained from Commercial Relations and Export Division, Department of Trade, 1 Victoria Street, London SW1H 0ET, tel. 01-215 5358; or Commercial Department, British Embassy, Ahmad Ragheb Street, Garden City, Cairo, Egypt.

Overseas trade exhibitions

UK builds up business in Japanese construction market

From David Love, British embassy, Tokyo

It was packed houses all the way at the third British construction equipment and materials exhibition, which closed on 2 June, at the British Export Marketing Centre, Tokyo. It was sponsored by the London Building Centre. Full audiences heard 12 technical lectures and nearly 1200 people saw the products of the 12 exhibitors, which covered concrete technology but also corrosion control and high-quality valves, bricks and bathroom ware.

Nine of the exhibitors have been plugging away for some time and are now becoming well established. Ian Dussek of Trinidad Lake Asphalt said 'If you decide to market in Japan find the best agents . . . and then work at it for 10 years'. For these companies the exhibition was a good way of backing up their local agents and building closer contacts.

Spending on public works is growing as the Japanese government tries to stimulate domestic demand and improve housing and roads. There is also a growing market supplying materials and technology to Japanese building projects overseas.

Competition is intense among Japanese builders; profits are being squeezed and they are looking for new ideas for cutting costs and improving quality. Persistence is a virtue in Japan and you have to be seen in the market place. As one exhibitor said, 'Seeing us at the exhibition talking to their competitors, companies who had shown no interest are now queuing up for attention'.

There was also interest in the newer products on display. Sofrap International was showing its anti-corrosion process for the first time and Arc Concrete stimulated great interest in its glass-fibre re-inforced concrete piping. Redland Bricks and Twyford Bathrooms were able to explore prospects for their top-of-the-market products.

These companies found BEMC an excellent shopwindow: David Gray of Joad Engineering said, 'We came with the problem that we had no agent and leave with a different problem – which of the fine companies who have approached us for an agency should we select?'. Joad sold two of its road scabbling machines off the stand and is negotiating for permanent representation.

The exhibition demonstrated how important it is to offer a high technical level of presentation in Japan, and the value of the British Overseas Trade Board's special services for exporters, in attracting and maintaining interest.

Encouraging level of business at Poznan

From Arlette Leplat, BOTB, Poznan

In spite of Poland's current balance of payment constraint there is no diminution of interest from Polish buyers in UK products said Lord Limerick, chairman of the British Overseas Trade Board, when he visited the Poznan international trade fair during June.

Britain had a massive participation at this event, largest of its kind in eastern Europe and its exhibits at the Poznan trade fair were most impressive, he said. 'One can feel proud of the inventiveness, design and quality on display'.

Underlining this, two British exhibitors – J. C. Bamford Excavators and Cambridge Scientific Instruments were awarded gold medals for the design, originality, usefulness and cost of their products. The gold medals were among 30 awarded by the fair's organisers for the first time.

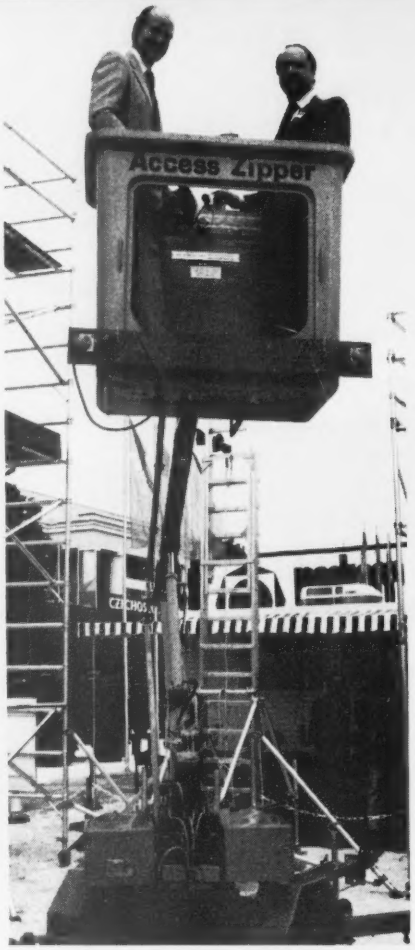
The Poznan international trade fair, which has its roots in the thirteenth century, now attracts about 5000 firms from more than 40 countries. Britain's increased participation over many years resulted in the British Overseas Trade Board's decision to build a spacious pavilion which was officially opened in 1977. This year, British exhibitors showed a range of products from microelectronics components and hand tools to cranes and tunnelling machinery.

As well as being a focus for companies interested in Anglo-Polish trade, the fair is also a shop window for British business with other east European countries.

One success story came from Kearney and Trecker Marwin (KTM), a member of the Vickers Group. The company introduced its first machine – a transfer line for machining aluminium cylinder heads for the Polski 125 car – to the Polish market 10 years ago. Since then, as part of a steady business, KTM has placed a number of other machines for various components including a cylinder block line. FSO, which builds the Polski in Warsaw, has been one of the company's most consistent customers.

Also, KTM has just installed at the Ursus tractor factory a complete cylinder transfer line worth £2.5 million for machining the three-cylinder head of a Massey Ferguson tractor engine built there under licence.

Derry London, director of KTM's special projects, said 'We have many friends and much understanding here built up over many years and we look forward to further co-operation. I have personally made 42 visits to Poland over the past 10 years, which shows that we in turn are consistent in our effort'.



Riding high at Poznan, Lord Limerick (left) on the Access Equipment stand.

Stone Wallwork International last year signed contracts worth £15 million for the supply to Ursus and FSO (Lublin) of the machinery to build Massey Ferguson tractors and it was now negotiating a further extension to that plant.

First-time exhibitors are certain of making gains in the Polish market. Racal Safety's marketing manager Mike Lawrence, said it was anticipating major orders.

Another first-time exhibitor, Spencer and Halstead Ltd, showed some of its airless shot-blasting equipment for medium and heavy industry. It was expecting to sell five or six different machines worth £1 million to Poland before the end of the year.

A company which makes an entirely different sort of products, Stanley Tools, was also exhibiting for the first time. It started trading with Poland only a few months ago with an order worth £15,000 from Poland's hard currency shops. Now it is trying to break into the professional market. Right from the start of the fair great interest was shown by the general public in its display of knives and Surform range of products. 'The potential market here has no limit,' said Mr J. C. Bulidon, assistant export manager. 'There is no doubt that the public want the quality, the material, the design, the finish and the range we can offer.'

Have you a good export picture?

Each week *Trade and Industry* publishes pictures illustrating Britain's export business. Companies with export successes are invited to send in the story with a photograph showing the goods in manufacture, ready for despatch, or, preferably, on arrival overseas. The story must, of course, reach us while it is still news.

Send your export photographs to the Editor, *Trade and Industry*, Eleventh Floor, Millbank Tower, Millbank, London SW1P 4QU.

Overseas trade country data

Australia

Proposed tariff changes. A notice in *Trade and Industry*, 15 June, reported that the Australian government had announced its intention to impose from 1 July 1979 an *ad valorem* revenue customs duty of 2 per cent on most goods currently being imported free of duty.

A list is now available from OTAR indicating the items to which this duty will not apply: 01-248 5757 ext. 468/469/401.

Canada

Benzoyl peroxide. The Canadian Health Protection Branch issued a notice on 23 May proposing a change in subsection C.01.041(5) of the Food and Drug Regulations. This would make available to the public, without the necessity of a prescription (although with certain precautions), products containing benzoyl peroxide as a single medicinal ingredient at concentrations of 5 per cent or less. Comments must be received on or before 23 July.

Inquiries: CRE 01-215 5629.

Finland

Ban on beer and wine-making kits. From 1 June, it is prohibited to import, manufacture or sell beer and wine-making kits. Although beer and wine may be made from certain permitted raw materials in individual households for private consumption, it is illegal to advertise, sell or distribute printed matter giving instructions for making alcoholic beverages. Any such equipment, alcoholic substances or printed matter may be confiscated or destroyed by the authorities.

Inquiries: OTAR 10-248 5757 ext. 460.

France

Fire extinguishers. Importers are advised that a notice published in the French *Official Journal*, 1 June, approved the French standard NF S 61–912 (amendment June 1979) for movable water extinguishers.

The standard will apply from 1 September 1979.

Copies of the French text are available from OTAR 01-248 5757 ext. 423/408/439.

Packaging for wine etc. Notices were published in the French *Official Journal*, 2 June, concerning the sizes of packaging for: wine, sparkling wine (22.05, 06, 07); beer (22.03, 07); vinegar (22.10); relating to EEC directive 75/106 of 19 December 1974 concerning the consolidation of EEC legislation on the packaging in volume of certain pre-packaged liquids.

Copies of the French text of the notice are available from OTAR 01-248 5757 ext. 423/498/439.

Game for human consumption. A notice was published in the French *Official Journal*, 27 May, outlining the conditions and procedure for importing game (which has been shot) into France for human consumption.

Copies of the French text are available from OTAR 01-248 5757 ext 423/408/439.

Health certificates for potatoes. A notice was published in the French *Official Journal*, 27 May, concerning the import of potatoes of all types (07.01 A) and the ecological fight against potato bacterial diseases.

All potatoes must be accompanied by health certificates stating that they have been inspected and found to free from any bacterial disease.

Copies of the French text and an unofficial English translation are available from OTAR 01-248 5757 ext. 423/408/439.

Guinea

Visa applications. British businessmen can now obtain visas from the Guinean embassy in Dakar, Senegal. They should apply in person bearing an attestation from the consular section of the UK embassy in Dakar, together with two photographs and a fee of 5 000 CFA francs. Applications will normally be granted 'within 48 hours'.

Inquiries: CRE 01-215 5334

Indonesia

Milk replacer. The Indonesian government, has announced, from 5 May 1979, a total exemption from import duty and sales tax on the import of milk replacer, under tariff heading no. 23.07.00. The import duty and sales tax will both be nil.

Inquiries: OTAR 01-248 5757 ext. 469/468/401.

Veterinary medicines. The Indonesian government, has announced from 5 April, a partial exemption of import duty and sales tax chargeable on the import of veterinary medicines, under heading 30.03 40, so that the import duty becomes 5 per cent and the sales tax 2½ per cent.

Inquiries: OTAR 01-248 5757 ext. 469/468/401.

Fish and soya bean meal. The Indonesian government has announced from 6 April 1979 a total exemption from import duty and sales tax on the import of fish meal and soya bean meal (tariff headings 23.01.00 and 23.02.50 respectively) to be used as raw materials for cattle fodder. The import duty and sales tax will both be nil.

Inquiries: OTAR 01-248 5757 ext. 469/468/401.

Iraq

Project list. A new Iraqi project list has been prepared by the British embassy, Baghdad and is available by writing to Mr C. Goodman, Room 305, Department of Trade, 1 Victoria Street, London SW1H 0ET.

Budget 1979. The Iraqi budget was divided into three parts:

1 the ordinary budget covering normal state expenditure, handled by the various ministries, and showing an increase this year of 41 per cent to £4,298 million
2 the establishment and administration budget covering state economic institutions, or the nationalised industries and such para-statal bodies as universities, and increased in 1979 by 27 per cent to £5,851 million, and
3 the investment programme up by 17 per cent to £5,382 million.

A more detailed analysis of the budget is available from Mr C. Goodman, CRE Department of Trade, 1 Victoria Street, London SW 1H 0ET.

Kenya

Exchange control. The Central Bank of Kenya has now reduced the amount of import deposit (see *Trade and Industry*, 2 February, page 236) payable on imports of medical pharmaceuticals to 25 per cent.

Inquiries: OTAR 01-248 5757 ext. 473.

Republic of (South) Korea

Import liberalisation. The government of the Republic of Korea has announced import liberalisation measures, from 1 July. The fol-

Further information

In many cases further information on the notices published on these pages is available to British exporters from the Department of Trade. The main branches concerned are: Commercial Relations and Exports (CRE) Divisions, 1 Victoria Street, London SW1H 0ET (tel. direct dialling); and Overseas Tariffs and Regulations Section (OTAR), Export Data Branch, Export Services and Promotions Division, Export House, 50 Ludgate Hill, London EC4M 7HU, tel. 01-248 5757. In each case, the relevant information source is indicated at the end of the notice by its initials (OTAR or CRE) and, in the case of OTAR, the telephone extension.

lowing goods are now automatic approval items (ie an import licence can be issued automatically by a Korean bank when the importer applies for the relevant letter of credit). An asterisk denotes that the item is subject to import surveillance (ie an import licence is issued automatically but the authorities observe the trend in the import of these items to prevent damage to local industries):

CCCN no./Description	CCCN no./Description
05.15	
Sinews and waste of raw hides	45g/m²), paperboard
06.01	(machine-made); Gampi
Bulbs, cactus in flower	paper
06.02	**48.05**
Fruit saplings, tubers, cutting	Corrugated paper, creped
and parent stocks	paper, creped paperboard
12.01	**48.07**
Mustard seeds	Clay-coated paperboard
12.03	**53.12**
Horticultural plant seeds	Woven fabrics of horse hair
12.08	**55.07**
Roasted chicory root, tuber of	Cotton gauze
konyaku	**55.08**
14.05	Terry towelling and similar
Raw vegetable materials of a	terry fabrics of cotton
kind suitable for use in dyeing	**73.12**
or in tanning; Hard seeds,	Hoop and strip of iron or steel,
pips, hulls and nuts of a kind	hot rolled or cold rolled
used for carving (ie corozo and	**73.13**
dom)	Galvanised steel sheet
21.02	**73.15**
Roasted chicory and other	High-carbon steel wire
roasted coffee substitutes;	**74.13**
extracts, essences and con-	Brass ball chain
centrates thereof	**76.01**
21.07	All items of 76.01 excluding
Non-dairy cream; *instant	virgin ingot and alloy
noodles	aluminium ingot
27.13	**82.13**
Slack wax, scale wax	Articles of cutlery
28.17	**84.10**
Caustic soda	Agricultural water pumps
29.01	**84.22**
Toluene	Tower jib crane
29.05	**85.15**
Menthol	Radios for automobiles
34.02	(except radio-recorder)
Organic surface-active	**87.12**
agents; *prepared detergent;	Parts and accessories of
*synthetic detergents (hard);	bicycles and invalid carriages
prepared surface-active	**90.26**
agents	Meters, current, electricity
46.01	supply
Plaits and similar products of	**95.08**
plaiting materials for all uses,	Corozo, and other vegetable
whether or not assembled into	carving materials and articles
strips	thereof
48.01	**98.03**
Kraft paper (more than	Ball point metal marker

Inquiries: OTAR 01-248 5757 ext. 420/475.

Lebanon

Import duty amendment. The Lebanese *Official Gazette* 23, 7 June, published details of amendment 357 to the customs tariff which amended sub section a. of CCCN 85.23 as follows:

CCCN/Description of goods	Basis for collection	Normal tariff
85.23		
Insulated (including enamelled or anodised) electric wire, cable, bars, strip and the like (including co-axial cable), whether or not fitted with connectors:		
a. Cables comprising three conductors or more, each having a diameter of not less than 2 mm, intended for power supply;		
12 Intended for nominal tension of more than 30 000 volts	Value	1%
13 Insulated by a process other than the thermoplastic process and intended for a nominal tension of more than 4500 volts and not exceeding 30 000 volts	Value	1%
18 Other	Value	25%

Inquiries: OTAR 01-248 5757 ext. 475/7062.

CRE tel. Direct dialling
OTAR tel. 01-248 5757
Extensions to **OTAR** numbers are given at the end of each notice

Netherlands

Polychlorinated biphenyls. A decree dated 12 May 1979 (*Staatsblad 281)*, published on 29 May, introduces measures to protect the environment against pollution through the placing on the market and the use of polychlorinated biphenyls (PCB), polychlorinated terphenyls (PCT) and chloro-l-ethylene (monomer vinyl chloride) – EEC directive 76/769/EEC of 27 July 1976 refers.

The decree enters into force with effect from the third calendar month after date of publication in *Staatsblad*.

Copies of this decree (in Dutch) are available and an English translation should be available shortly from OTAR 01-248 5757 ext. 401/468/469.

New Zealand

Imports of steel. The New Zealand government has issued the Heavy Engineering Research Levy Act 1978 which came into force on 1 April and puts a levy on certain imported steel at the rate of $1.50 per tonne. The specific imported steel items are:

Tariff no. /Description
73.11
Angles, shapes and sections, of iron or steel, hot-rolled, forged, extruded, cold-formed or cold-finished; sheet piling of iron or steel, whether or not drilled, punched or made from assembled elements:
Angles, shapes and sections, 800 mm or more:
011 Worked:
Other kinds:
021 As may be determined by the minister
031 Other
73.13
Sheets and plates, or iron or steel, hot-rolled or cold-rolled: 3 mm or more in thickness, other than tinned:
009 Other
73.18
Tubes and pipes and blanks therefor, of iron (other than of cast iron) or steel, excluding high-pressure hydro-electric conduits:
009 Other

Inquiries: OTAR 01-248 5757 ext. 401/468/469.

Qatar

Import regulations. Advance warning has been received that the Qatar government is to ban meat, fat and products of the pig (eg ham, sausages and bacon) and soft drinks containing more than 5 per cent alcohol.

Inquiries: OTAR 01-248 475/420.

Labelling regulations. Advance warning has been received from the British embassy that the Qatar government is to implement a labelling regulation whereby imported foodstuffs will have to be described in Arabic as well as any other foreign language used. All foodstuffs will be required,to show the date of production and all baby foods will also be required to show the date of expiry.

Inquiries: OTAR 01-248 5757 ext. 475/420.

South Africa

Customs tariff changes. The following amendments were published in the South African *Government Gazette*, 1 June:

R. 1129, CCCN 29.14: Specific provision is made for ethylene glycolmonomethyl ether acetate and ethylene glycol monopropyl ether acetate and the rate of duty thereon is increased from 10 per cent to 25 per cent.

R.1131, item 104.25: The excise duty and corresponding customs duty on vinegar substitutes and acetic acid are abolished.

Industrial rebates

R.1130, items 306.04 and 306.10: The provisions for a rebate of duty on methyl cellosolve acetate for the manufacture of colours, paints, varnishes and allied products and for the manufacture of composite solvents and paints strippers, are withdrawn.

R.1132, items 306.01 and 308.01, CCCN 29.14: The provisions for a rebate of duty on acetic acid for the manufacture of monochloroacetic acid, vinyl acetate monomer and calcium acetate and for use in leather tanning and finishing, are withdrawn.

Rebates and refunds of excise duty

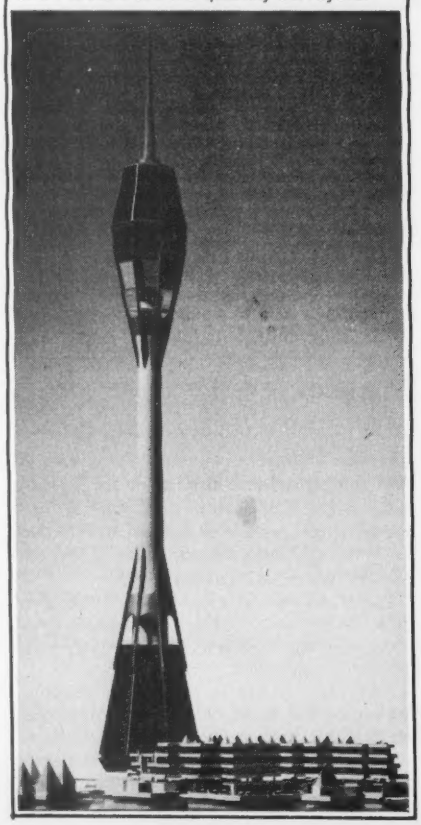
R1133, items 601.01.07, 601.03.20, 601.01.20, 603.01.20, 605.04.20, 606.04.20, 607.04.10: These amendments are consequential to the abolition of the excise duty on vinegar substitutes and acetic acid. In the manufacture of vinegar and acetic acid by a process of acetic fermentation – the rebate is full duty less 770c per 100 litres of absolute alcohol.

Inquiries: OTAR 01-248 5757 ext. 471/472/473/462.

Continued after special report.

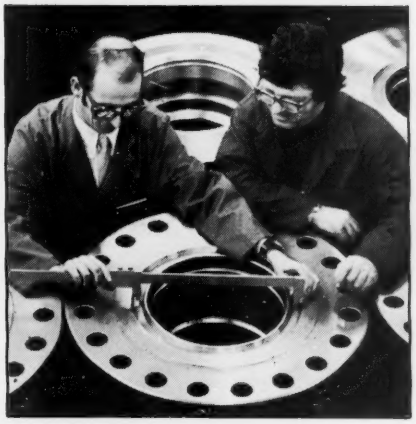
Abu Dhabi tourist tower

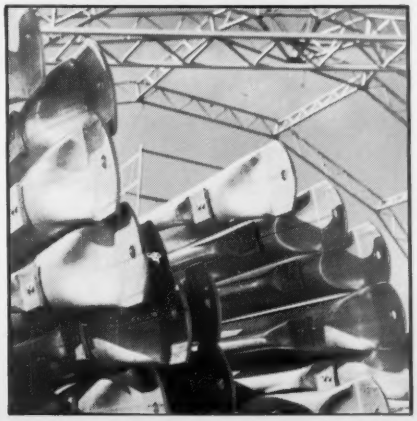
UK firms are the driving forces behind this Abu Dhabi tourist tower which, when built, will be one of the highest man-made structures in the world. Covell Matthews Partnership designed it, Freeman Fox International will supervise the construction and Guthrie and Partners are the quantity surveyors.



Scottish new towns

Trade and Industry special report





Take any one from 5.

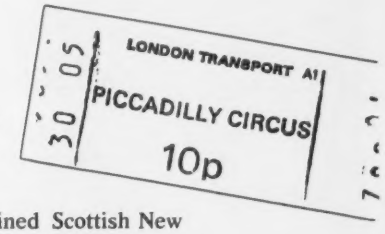
EAST KILBRIDE · GLENROTHES · CUMBERNAULD · LIVINGSTON · IRVINE

Ideal locations for relocation. All well under 2 hours from London.

By far the best way to find out everything concerning the Scottish New Towns, and what they have to offer expanding or relocating industry and business is to visit them. Flying time from London Airport is one hour to either Glasgow or Edinburgh, and all Scottish New Towns are then within easy, and quick, reach by car: transport will be arranged for you.

All five towns are in the central belt of Scotland. All have special and individual advantages: all are special development areas, carrying the full scale of grants, financial incentives and other aids-to-industry. All provide ideal living conditions, communications, availability of factory and work force and — above all — co-operative enthusiasm.

A flying visit could pay dividends for your Company.



or a mere 10 minutes from Piccadilly Circus. Whichever is more convenient.

On the other hand, a pre-flight visit to the highly convenient combined Scottish New Towns Office in London, close to Trafalgar Square, could short circuit the process and provide you with a time-saving short list. London Director Jack Beckett has all the Scottish New Towns facts and figures both at his fingertips and on a comprehensive colour slide presentation. A telephone call could fix a discussion-and-demonstration session very quickly. The telephone number is 01-930 2631.

THE SCOTTISH NEW TOWNS IN LONDON: 19 COCKSPUR STREET SW1Y 5BL

TELEPHONE 01 930 2631 TELEX 28408 *'a stonesthrow from Trafalgar Square'*

The combined Scottish New Towns London Office is centrally situated in Cockspur Street— at the southern end of the Haymarket and between Trafalgar Square and Pall Mall.

If at this time you can neither spare time to fly to Scotland nor to visit the New Towns Office in London, let me send you a copy of the full colour brochure illustrated on the left. Just mail the coupon to me, Jack Beckett, at 19 Cockspur Street, London SW1Y 5BL. Your first introduction to the Scottish New Towns will be in the return post to you.

Name _____

Position in Company or organisation _____

Address _____

_____

Where the hallmark is growth

Today one in 20 of the population of Scotland lives in the new towns but in 1947 with the exception of Irvine all the sites were small villages with little or no industry and few facilities. Ann Edge reports on their development.

Perhaps the hallmark of the Scottish new towns could be said to be growth – of the towns themselves, of the individual industries and firms that have established in the towns and growth as focal points for new light industry in Scotland itself. Since 1947 when the first new town was designated their number has grown from one to five, their population from 43 000 to 250 000 and the number of industrial and commercial units from 500 to 2500.

The origin of the Scottish new towns is to be found in 1946 with the publication of the Clyde Valley regional plan. The strategy proposed to solve Glasgow's housing problems by dispersing a quarter of the city's one million population beyond the municipal boundaries, principally into four satellite 'new towns'. Only weeks after the publication of the regional plan the Scottish Office designated the first of the regions new towns, East Kilbride, and nine years later, in 1955, the second of the towns, Cumbernauld, was designated.

However East Kilbride and Cumbernauld, alone could not provide sufficient overspill outlets and more had to be found. Glenrothes, a new town on the other side of Scotland in Fife designated in1948 to accommodate miners expected to work in pits being sunk in the district, offered to become a reception area for Glasgow people. Then, in 1962, a further new town was designated, again outside West Central Scotland, at Livingston in the Lothians.

At this stage a second dimension was added to the original dispersal policy. Unemployment rates in the region were rising as the traditional heavy industries were contracting. New jobs were needed and new towns were seen to provide the answer. Offering a pleasant and well-designed environment they could act as a magnet to draw in firms, while the overspill population could provide the incoming firms with a plentiful supply of labour. In this way the new towns became growth areas with a new industrial role complementing their overspill functions. As a result of this policy another new town in west central Scotland, Irvine, was designated in 1966 simply to attract industry.

Today many well-known names in industry from Britain and overseas are to be found in the new towns alongside more local concerns. Industries ranging from heavy and light engineering to food enzyme and flavour ingredients, by way of electronics, printing, jewellery and high fashion, so that by 1978 Livingston could claim that the 100 manufacturing industries located in the town already included 23 of the 27 standard industrial classification categories.

The new towns provide an attractive environment for industry. All the towns have major industrial estates, generally on the periphery of town and separate from but adjacent to residential neighbourhoods. Full services are available on sites and advance built factories, available for sale or lease and varying in size are provided for immediate industrial requirements. In each town these include 'nest' units around the 100 m² size, which provide a versatile base for the smaller company. Larger premises ranging up to about 5000 m² are also provided. Alternatively sites are available for a firm requiring a custom-built factory. In this case the firm can lease or purchase the land and carry out the development itself or brief the professional teams at the development corporations to produce a factory. Depending on the project, custom-built factories can be ready from within nine to 18 months. Adaption of an existing factory can be accomplished so that a new industry can be in production within a couple of months, or if temporary space is required for training or preparation before moving into permanent accommodation, space is generally available: East Kilbride, for example, provides factory units to let on a daily basis.

All the towns maintain advance built factories available in a wide range of sizes; Livingston, for example, likes to have units up to 5000 m² available but generally the trend is towards the building of smaller premises. This is reflected in the popularity of extensible units where the factories are constructed in such a way that their area can be doubled or trebled without the need for relocation as business expands. This is hardly surprising when one realises that 58 per cent of the industrial companies now operating in the five new towns first became established with 25 persons or less and of these 35 per cent have at least doubled, 17 per cent at least trebled and 11 per cent quadrupled or more. Take ACF (Great Britain) Ltd, at Cumbernauld, manufacturer of the VKM valve, the

Scottish new towns

Trade and Industry special report on Scotland's five new towns

Published with the 29 June 1979 issue

Where the hallmark is growth by Ann Edge, 2

A clean break with the past by Ray Perman, 4

Facts and figures, 8

Hard labour in Scotland? by Ann Edge, 11

Investment in Scotland by Elizabeth Hennessy, 13

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firm started with only five and now employs more than 85 people and expansion plans have meant taking over another factory of the same size as its existing 1800 m² one. Then there is Aberglen Holdings Ltd at Glenrothes, which in nine years has grown from a one-man business to a group embracing 18 manufacturing and service industries, while Hyster Ltd of Irvine, makers of forklift trucks, has increased the number of employees from 37 in 1960 to about 1000 today.

All new industries are welcome in the new towns and the growth of any company is important to the well-being of the towns, but it is particularly gratifying to the development corporations to see the rapid growth that has occurred in many local concerns that originally only employed a handful of people. Firms such as Thomson Litho of East Kilbride, which has doubled the size of its printing plant every two years since it was first established 12 years ago, and Production Yachts at Glenrothes which in five years has grown from a two-man business to a firm employing a workforce of 31.

It is sometimes suggested that where research and development and marketing functions are poorly developed an economy's potential for self-generating growth is reduced. But a look down the lists of industries located in the new towns shows that this is unlikely to be the case in these towns. All have been successful in attracting high-technology industries. Burroughs, for example, a leader in the electronic data-processing industry, has over 300 people in its top European R&D establishment at Cumbernauld. In East Kilbride, the National Engineering Laboratory, the UK's central establishment for mechanical engineering R&D, employs about 1200 staff in a 70-acre science park. And to emphasise the point Livingston has recently designated a fifth industrial estate, the Kirkton campus, which is especially reserved for industries with a high R&D content and a need for a close liaison with the research departments of nearby universities.

Another measure of a town's coming of age is the development of a well-balanced office community. All the towns can boast commercial development in their centres and combined they now provide nearly 200 000 m² of office space and about 15 000 jobs. A policy of constructing a number of advance office blocks to attract suitable companies has had some success and small suites above shops in neighbourhood centres are also available. The provision of white collar employment for the many well-educated school leavers is important in maintaining a balanced community as well as contributing to its continued growth. All have proved successful in attracting industry but this second stage in their development, the establishment of a stable broadly based commercial community may be less easy.

Over the years all the Scottish new towns have become pleasant places to live and their strength is as much in the quality of life they offer people as in the provision of the facilities for doing business. But perhaps the best measure of their success is to see how the towns have fulfilled the aims originally set for them. In all cases the population has grown and it is argued by some that the towns have been almost too successful in attracting the most energetic of the overspill population. But in terms of attracting new industry their success has been undoubted. East Kilbride claims that a new company has opened on average every 11 days and a resident industry expanded to larger premises every fortnight. In 1978 Glenrothes was voted top town in an independent survey of companies operating in British new towns. And finally an increase in the number of jobs from a pre-new towns total of 17 600 to a current total of over 92 000 is no mean feat in anyone's book.

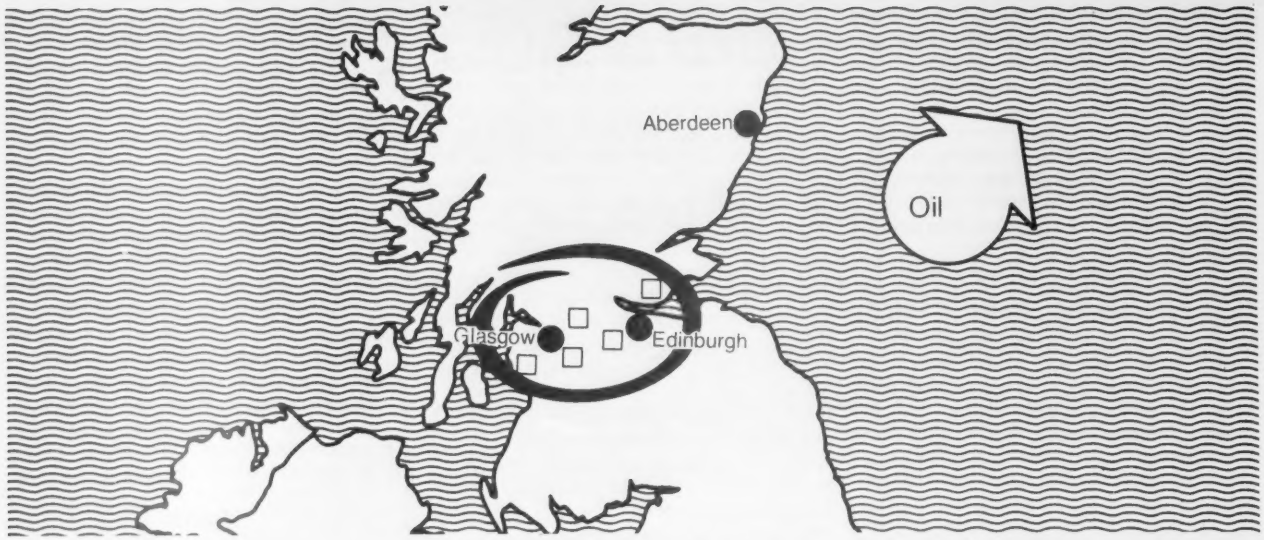
Commonwealth new towns conference

Twenty-four countries are sending delegates to the Commonwealth new towns conference being held in September at East Kilbride. Three-quarters of the 24 countries are members of the Commonwealth and already include representatives from countries as far afield as Nigeria, Malaysia and Hong Kong. The conference is organised by the East Kilbride Development Corporation in association with the Commonwealth Foundation and will relate to both the British new town and the experience of other community developments throughout the world.

All the countries attending the conference are actively involved in new town and community developments and the British new town is regarded by Commonwealth countries as a practical example of a new, complete community. The situation in Scotland with one in 20 of the population living in new towns presents a model for comparison and analysis.

Further information from Iain A. C. Brown, Atholl House, East Kilbride, Scotland, G74 1LU, tel. East Kilbride 41111.

Room for a few more.



A clean break with the past

As competition between European countries to attract new employment becomes increasingly fierce, Ray Perman of the 'Financial Times' Glasgow office gives a personal view of the role that the five new towns play in the Scottish economy.

All five Scottish new towns (Cumbernauld, Glenrothes, East Kilbride, Livingston and Irvine) have been very successful in attracting industry and employment and have acted as 'growth points' for the regeneration of the economy. The very fact that they are now under fire from some quarters is testimony to how successful they have been.

Statistics are hard to come by, but what figures there are and the general impression gained from visiting the towns and their industry indicate that they have lower unemployment levels than the country as a whole and have a higher proportion of productive, modern companies. They are able to offer clean new factories, often purpose-built to the exact requirements of an incoming firm, and good quality homes for workers – an enormous plus point in a country where sub-standard public housing is a scandal.

Perhaps even more important, they are able to provide a clean break with the attitudes of the past, whether that means outdated restrictive practices learned on the shopfloor, or an overly bureaucratic view of the place of local government in attracting industry.

It is not surprising therefore that the new towns boast a higher concentration of the newer industries, such as electronics, chemicals and precision engineering, which are essential to Scotland's future wellbeing, than their share of population would warrant. Similarly, it is fairly obvious that they are not burdened with the older, declining industries like shipbuilding and steelmaking, whose difficulties pose considerable problems for Glasgow and other communities in west central Scotland.

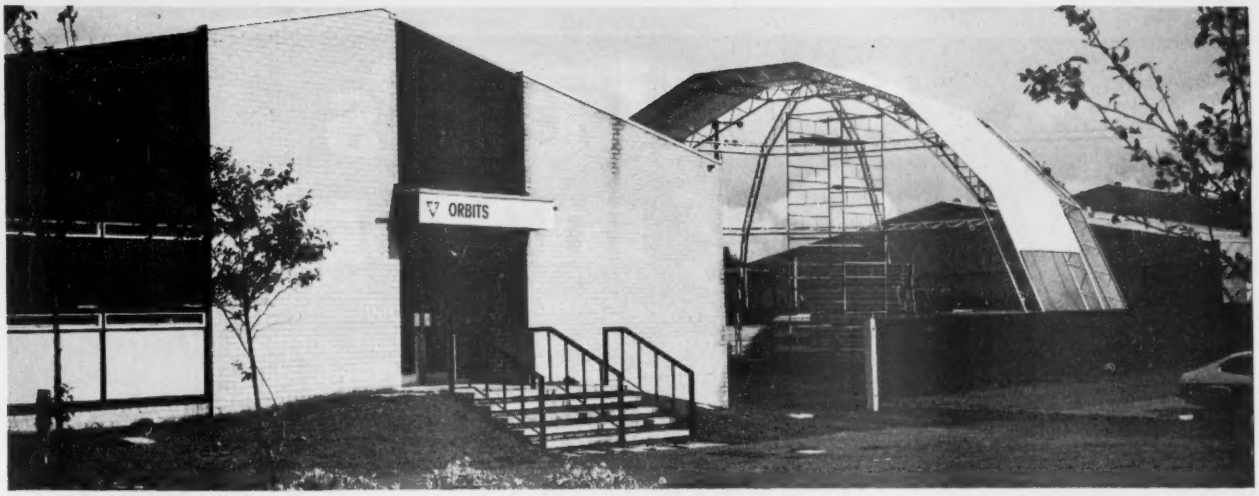
Some local politicians from these areas now suggest that in order to iron out the differences that are already apparent within Scotland, the new towns should have some of their advantages removed (by trimming the financial inducements they are able to offer) to make the competition for scarce investment more even.

They see the new towns as taking away the younger and more active members of their own communities, leaving them with an unbalanced population, top heavy with the retired, the unskilled and the socially deprived.

The circumstances that give rise to their concern are not difficult to find. The City of Glasgow, for example, contains nearly half the areas of serious deprivation identified within Strathclyde region, and has a poor record in trying to attract and sustain industry. By any standards it faces a daunting task in trying to tackle these problems, yet it has the further handicap that its lifeblood is draining away. The population of the inner city conurbation is falling steadily, reducing the financial base available to support (let alone improve) essential services, and it has been estimated that the loss of jobs in Glasgow between 1973 and 1981 could be as high as 50 000.

Something clearly needs to be done to slow down the rate at which the gap between the more and the less prosperous areas of Scotland is widening. But are we now so well off that we can afford to do this by slowing down the growth of the better-off areas (particularly the new towns, which are suscept-

Mixture of old and new in Cumbernauld village.



Orbits Structures, Glenrothes.

ible to changes in government policy)?

The answer must certainly be 'no' because the economic improvements that Scotland has made over the last five or 10 years still need to be consolidated. On the face of it the gains appear to be impressive. The Scottish unemployment rate, which in the early 1960s was more than twice that for the UK as a whole, has now fallen to around 40 per cent above the average. Wage rates for men and women, once much lower than in the south, are now slightly higher than the national average. And productivity is approaching the national figure (annual output per worker in manufacturing was £4,814 in 1975 – the last year for which figures are available – compared to £4,948 for the UK as a whole).

But in absolute terms the performance is, to say the least, disappointing. Unemployment, at around 165 000, is twice its level in the late 1960s, while industrial production has hardly risen above its level for the early 1970s. Competitiveness, compared with other industrialised nations, has been eroded.

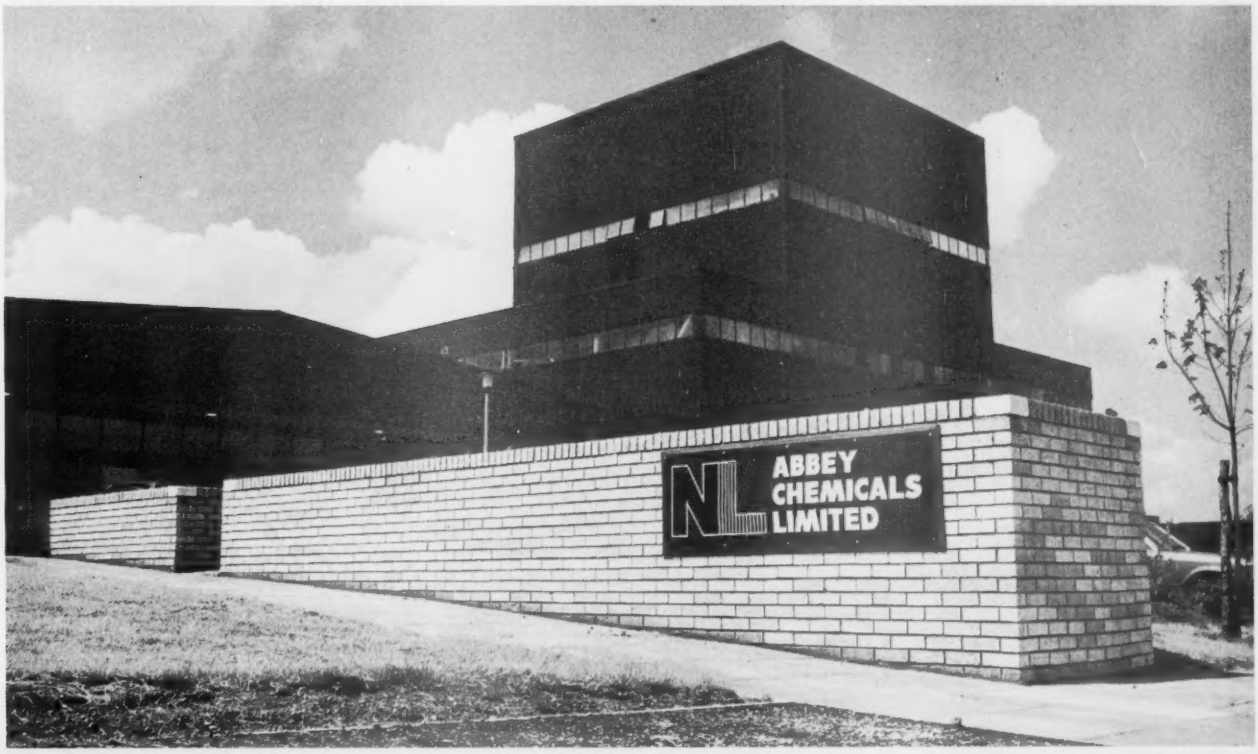
Other problems are coming. The steel industry, despite its massive investments in new plant at Ravenscraig, Hunterston and other sites, still has much outdated and inefficient plant and is likely to continue to suffer from a shortage in demand for the foreseeable future. Shipbuilding also faces a critical shortage of orders and is struggling to keep up with foreign firms which can guarantee delivery dates and produce tenders far below those from Scottish yards.

The new towns have not been isolated from the effects of the recession. Growth rates have had to be cut back (notably in Irvine, which was founded to try to bring new employment to depressed central Ayrshire) and there have been some uncomfortable recent reminders that not only the traditional industries are vulnerable to shrinking markets. Livingston has suffered the closure of Pye TMC with the loss of 500 jobs, and at Irvine the decision of SKF to shut its bearings factory has removed one of the town's major employers.

The picture is not all black. A number of companies, especially in the electronics industry, are in the middle of major expansions and the North Sea oil industry, after a period of relatively slow activity, is picking up again. Even in sectors of the economy which look sick when judged from the aggregate statistics there are companies plodding away unremarked which are doing well against the trend.

But nevertheless, the future is daunting for

Livingston.



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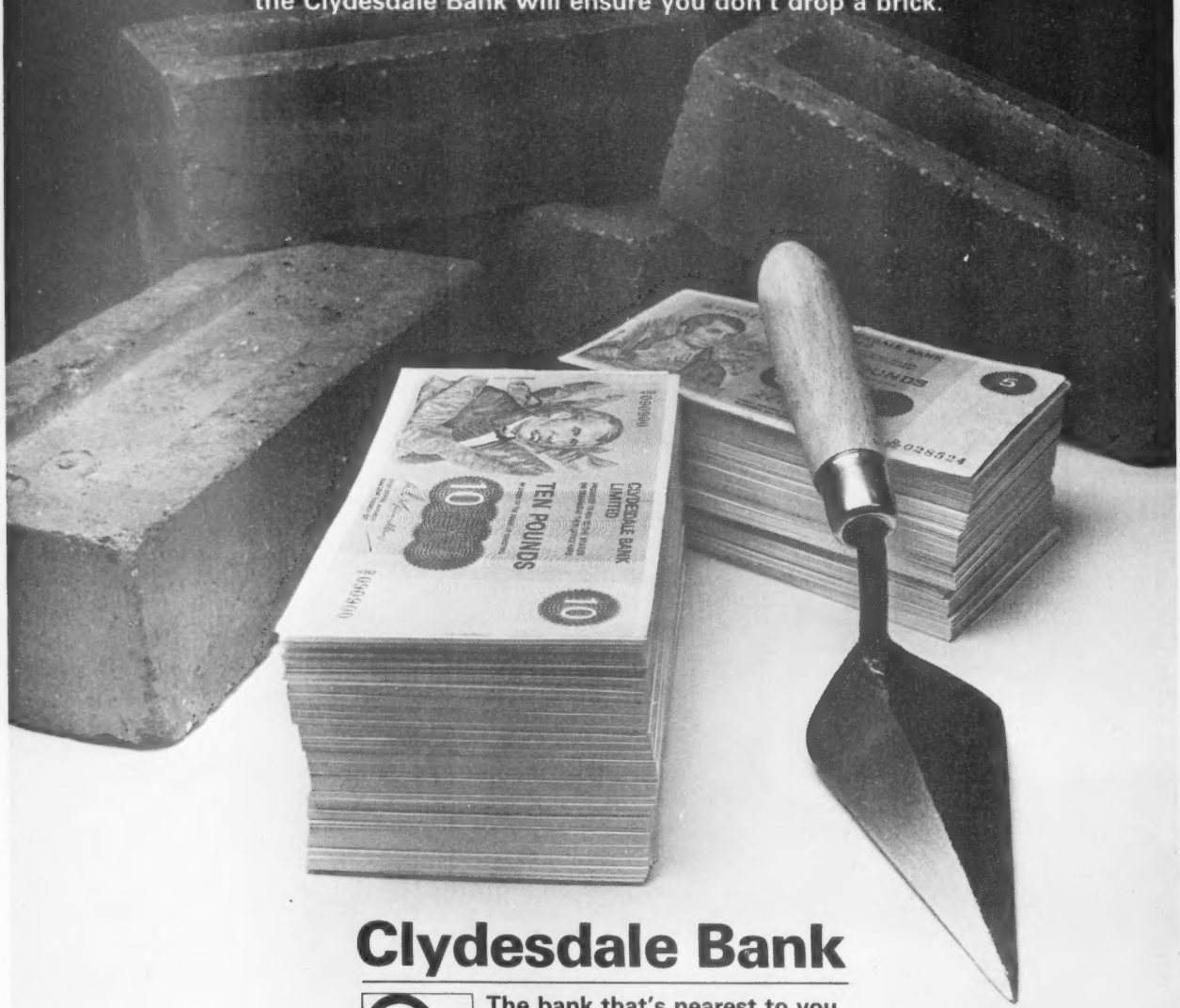

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those concerned with industrial development. For every factory that opens with a few hundred jobs, one seems to close with at least as many lost, and the competition with Ireland, France, West Germany and even within the UK itself, to attract new employment is becoming more and more fierce.

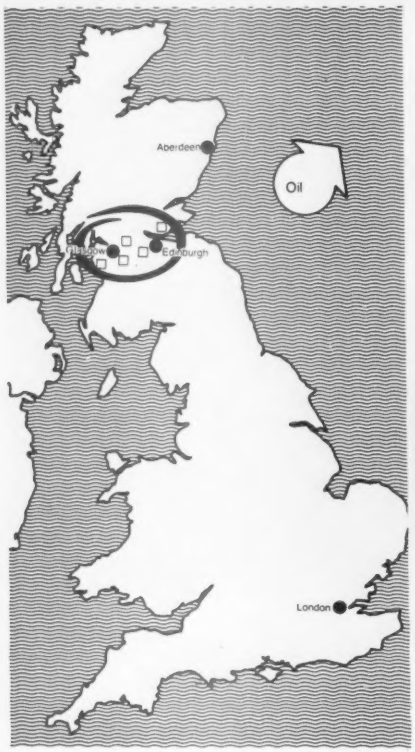
Against this background, it makes no sense to hobble any part of the economy. What is needed is rather to improve the competitiveness and the attractiveness of the disadvantaged areas through schemes like the Gear, (the Glasgow eastern area renewal) project in which the Scottish Development Agency is pulling together the efforts of a number of different public bodies. A similar scheme, combining industrial and residential rehabilitation, is being mooted for the Garnock Valley, in Ayrshire, which has suffered badly from loss of jobs in engineering and the steel industry; and others may be justified in areas like Clydebank, where the meagre resources of the local authority are not sufficient to tackle the problems raised by chronic industrial decline.

However, the five Scottish new towns should continue to have a role to play, not least as an example of how imaginative planning can provide a spur to industrial growth.

Old sport . . . near new towns.

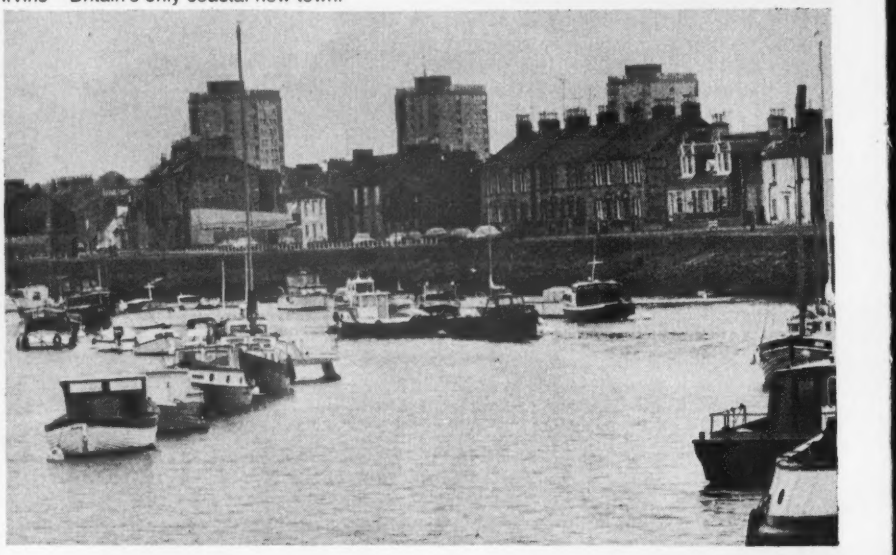
Scottish new towns

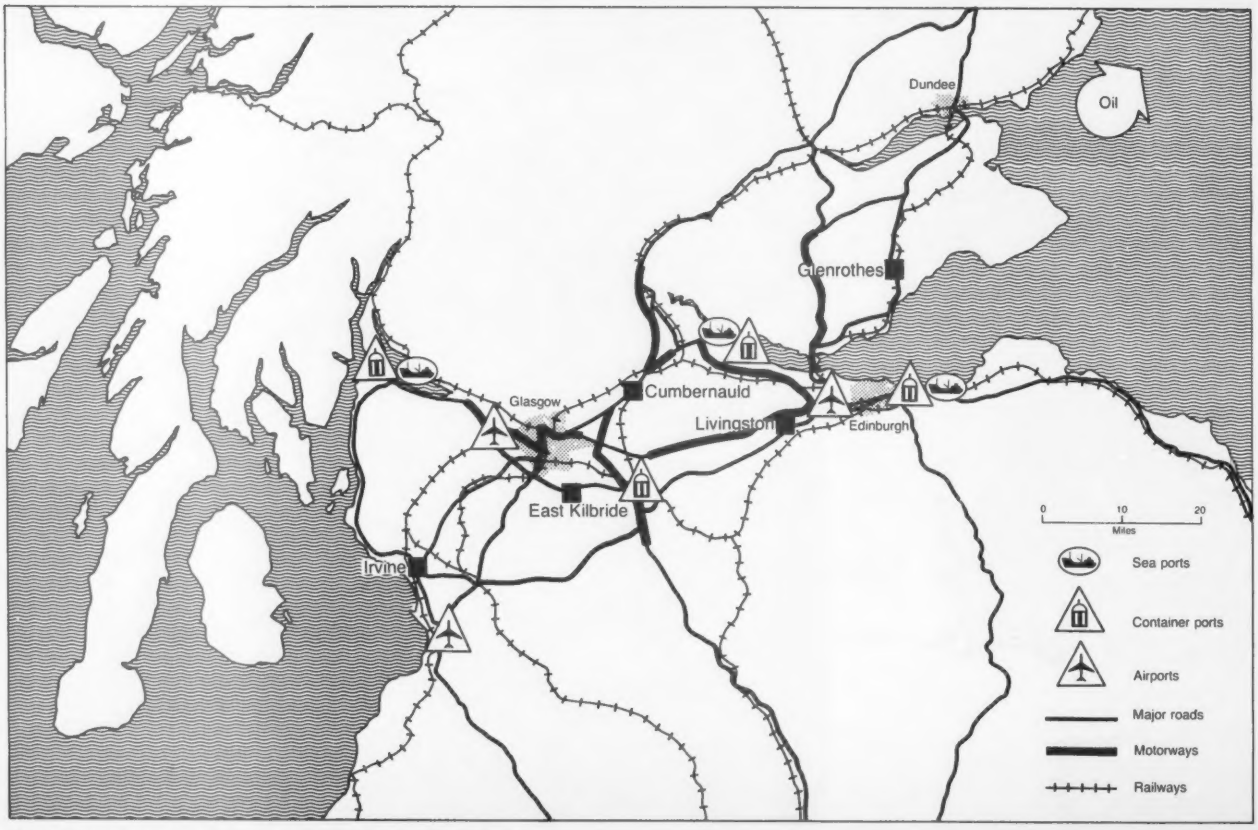
Figures published May 1978.



	Cumber-nauld	East Kilbride	Glenrothes	Irvine	Livingston
Désignation order	1955 (9 Dec)	1947 (6 May)	1948 (30 June)	1966 (9 Nov)	1962 (16 Apr)
Designated area: hectares	3 152	4 150	2 333	5 022	2 708
Target population	70 000	82 500	70 000	116 000	100 000
Current population	46 000	76 000	35 000	58 000	34 000

Irvine – Britain's only coastal new town.



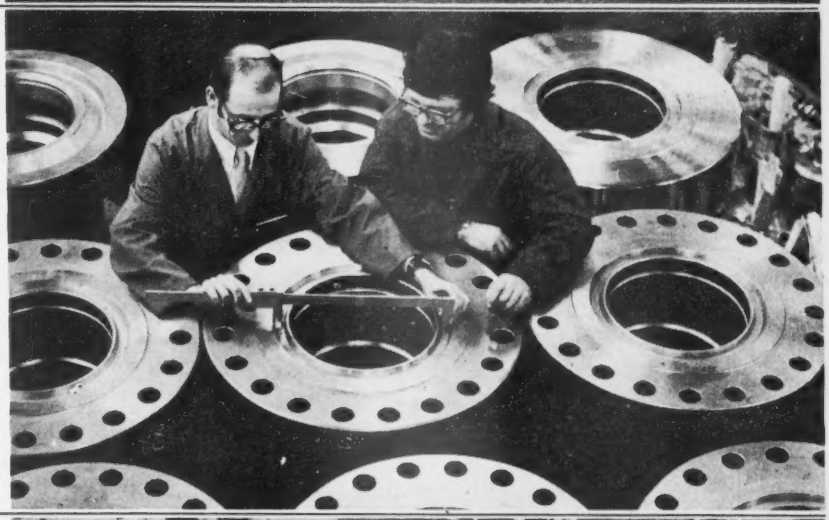


Industry

	Area m²	No. of firms	Jobs
Pre new towns	339 763	72	8 264
Cumbernauld	345 000	200	9 200
East Kilbride	605 491	340	18 500
Glenrothes	400 000	156	10 000
Irvine	474 200	157	11 000
Livingston	258 182	107	6 450
	2 082 873	960	55 150

Employment

Pre new towns	17 604
Cumbernauld	14 720
East Kilbride	30 580
Glenrothes	14 100
Irvine	23 000
Livingston	9 803
	92 203



Categories of jobs in new towns

	Jobs	Per cent of total
Manufacturing	40 420	43.8
Non manufacturing	13 170	14.3
Offices	11 500	12.5
Retail	8 840	9.6
Others	18 270	19.6
	92 200	100.0

Offices

	Area m²	Jobs
Pre new towns	10 470	1 635
Cumbernauld	41 620	2 400
East Kilbride	63 255	3 300
Glenrothes	21 000	4 100
Irvine	26 800	2 700
Livingston	29 578	1 970
	182 253	14 470

Housing

Pre new towns	13 999
Cumbernauld	14 454
East Kilbride	23 656
Glenrothes	10 770
Irvine	18 232
Livingston	10 570
	91 681

Education

	Pre new towns	At present
Nursery schools	—	12
Primary schools	18	89
Secondary schools	3	17
School places	—	76 173
Under construction	—	9

Shopping

	Area m²	No.
Pre new towns	33 561	332
Cumbernauld	27 406	136
East Kilbride	77 215	270
Glenrothes	29 000	121
Irvine	53 600	354
Livingston	36 790	111
	224 011	992
Distribution of shopping		
Town centres	183 480	544
Neighbourhoods and local shops	40 531	448

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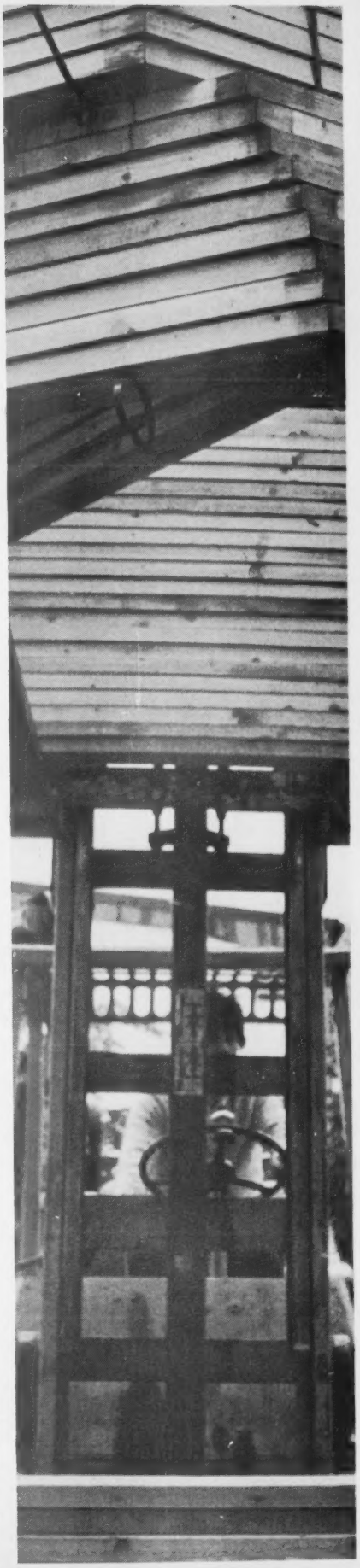
Hard labour in Scotland?



Parts of timber frame houses produced by Avonside Homes, Cumbernauld. The firm has never had an industrial dispute.

In any serious consideration of the Scottish new towns a businessman must weigh, along with the availability of the right kind of factory and office space and good communications, the question of the availability and quality of the labour force. Ann Edge describes the new towns' employment record.

Unfortunately Scotland has a poor image when it comes to labour relations. This may not be justified but the picture which so often springs to mind among potential employers and their key staff is one of industrial unrest.

In fact, many firms' records of industrial relations are enviable: Avonside Homes Ltd, which manufactures timber frame houses at Cumbernauld, has never had an industrial dispute. Beckman Instruments has had no strikes in the 21 years it has been in Glenrothes. And Hyster Ltd, manufacturer of forklift trucks at Irvine, has had no stoppages since it came to the town. The list could go on but Geoff Bailley of Patersons Shortbread in Livingston sums up the situation. 'In the seven years that Patersons have been in Livingston, there have never been any industrial relations problems and in the three years that I've been here there has not been the slightest hint of any difficulty. And while I think this is partly to the credit of a very good production management it is also an indication of the type of labour that we have in this area and at a very competitive cost.'

While it is pleasant to hear such good testimony it is interesting to see how clearly statistics bear out the impression given. Figures in the table for Glenrothes compare the number of days lost per thousand employees with Great Britain (which itself is far better in the international league table than is often supposed) from 1973 to 1977. As the figures show, in the worst year, 1974, when 589 working days were lost in Great Britain, Glenrothes lost 392, only 66 per cent of the Great Britain average, while in 1976 Glenrothes recorded no days lost through industrial disputes.

The standard of the workforce generally in the new towns has impressed many incoming industrialists. Ron Inglis explains the experience of his company, Thames Case, at Cumbernauld. 'Our move was seen very much as a pioneering venture into the Scottish market. After we moved in we found working conditions were better than in our old factories and as regards labour, we found in Cumbernauld a high quality labour force ranking with and matching that in any of our other plants.' This view is echoed by Mr McDonald of Livingston's Diversified Insulation Company: 'I am pleasantly surprised with the work force. They are working extremely hard and it is an interesting comparison that their productivity rate is higher than their counterparts in America.'

The good labour relations record in terms not only of strikes but also labour turnover and absenteeism may be partly explained by the fact that people want to live in the new towns. There is a queue for housing and priority is given to people needed for jobs in the towns. The pleasant environment, the high quality of housing, education and amenities attract people and there is something of a pioneering spirit in the towns with people coming to make a new life and with a determination to succeed.

The average age is nowhere much over 30 and with a young population which cares about career and community, education is bound to be important. All the towns have attractive modern primary and secondary schools with good facilities and generally smaller classes. After leaving school the opportunities for higher education are excellent with many well-equipped technical colleges close by. Additionally Scotland has eight universities, giving a higher proportion of university places per head than the rest of the UK, so that a country which accounts for only 9 per cent of the UK population produces 15 per cent of the UK's graduates. Within the new towns themselves are many technical colleges and training facilities. For example Glenrothes technical college offers a wide range of courses such as a master's degree in electronics for graduates from the town's many electronics and engineering firms, and also includes courses on industrial relations and trade union practice. And Livingston – which is proud of its long connection with the oil industry through 'Paraffin' Young and the locally mined, oil-bearing shale – has the Schlumberger training school for gas and oil-well engineers.

The availability of a well-educated labour force is clearly essential to many industrialists – to companies such as the Beecham Group at Irvine which has recently

Working days lost per thousand employees – Glenrothes and Great Britain 1973–77

	1973	1974	1975	1976	1977	Average 1973–77
Great Britain	287	589	239	132	441	312
Glenrothes	17	392	40	0	248	112

Each Scottish new town has a major shopping centre . . . easy access to golf courses . . .

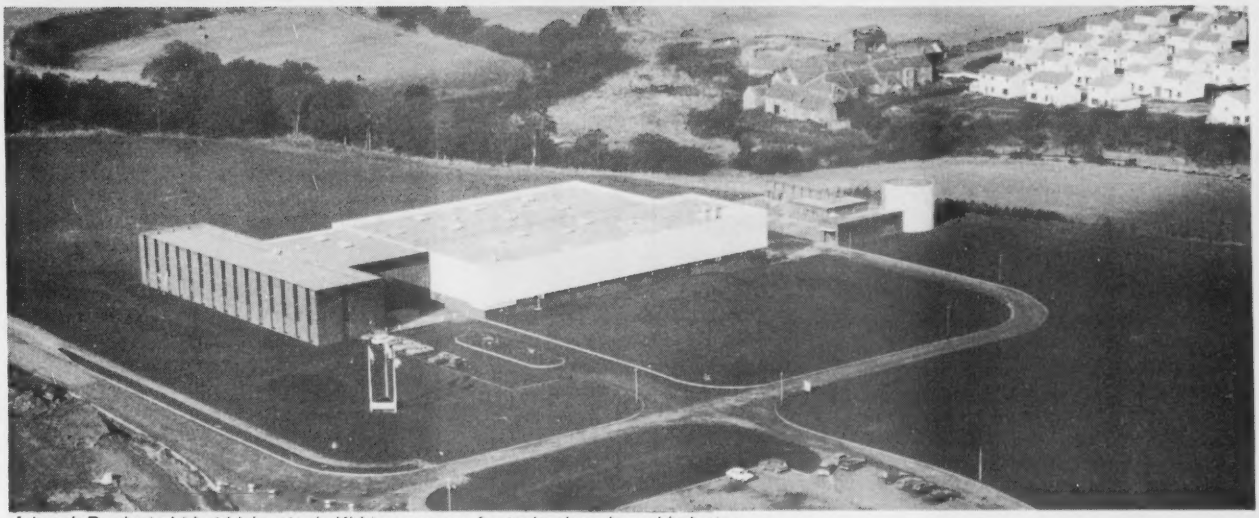
and good housing.

announced plans for a £15 million new plant beside its existing major factory. The nearness of the universities and colleges of technology was important when the firm first considered the site at Irvine, both for recruitment and subsequent training. Like many other companies in the chemical and pharmaceutical field it employs a relatively high proportion of graduates and personnel qualified to HNC standard. Mr Anderson of Marconi Communications Systems agrees: 'The prime reason really for choosing Livingston was the proximity to four of the major universities in Scotland and several technical colleges. Our aim is not a question of setting up a factory, it's a question of bringing in graduate engineers to head up a research and development set up'.

The right skills too are important as Dr Watson of Bestobel Ltd at Livingston explains: 'Bestobel were investing very heavily in the new plant, well over a £1 million in new high-calibre semi-automatic machines and it was essential that the necessary skilled labour was available to suit those machines. We have been very pleased with the availability and can genuinely claim that we have been able to recruit experienced operators for virtually every machine in the plant – a strong departure from the experience of labour recruitment in the south'.

Generally there are no problems with the availability of labour in towns where the populations are continuing to expand at a rapid rate. All the towns also find that part of their workforce comes from the surrounding districts – for example in East Kilbride, 9700 incoming commuters from Glasgow and elsewhere fill 32 per cent of available jobs. Many firms like Hyster Ltd at Irvine and Thames Case at Cumbernauld find they have waiting lists for jobs at shopfloor level. But not all jobs can be filled by local people. Many industrialists opening new plants in the area will want to bring some key personnel with them. Here the pleasant environment and good quality of life in the new towns is very important. All the new town sites were chosen for their environmental qualities, and the proximity of the Highlands for hill walking, fishing and ski-ing, an attractive coastline for sailing and swimming and the cultural amenities of towns like Edinburgh with its world-famous festival offer a lot. As Mr Harcombe of Beckman Instruments Ltd at Glenrothes points out, 'The development corporation has made the town a very pleasant place to live in. If staff are moving from other plants they are invited to Glenrothes and when they see the town and appreciate the quality of life they are happy to come. The housing is very good quality and the area is well maintained'.

Finally the picture that emerges from the Scottish new towns is of a plentiful labour supply with a high proportion of skilled and semi-skilled workers – rather different from that old image mentioned earlier. But perhaps the best summing up is given by Dr Watson of Bestobel: 'We have been very pleased with the interest and general level of enthusiasm which we experienced from the employees who have worked very hard for us over the introductory period, working very long hours and working extremely effectively without complaint. They are full of interest and enthusiasm for the new plant and are as keen as we are to see the plant succeed'.



Arbrook Products Ltd at Livingston's Kirkton campus for technology-based industry.

Investment in Scotland

The Scottish new towns now have a satisfying stake in foreign-based prosperity. Between them the five new towns have 120 companies from 17 different countries. Elizabeth Hennessy in an investigation for the Scottish new towns' London office describes the record of investment from overseas.

Attracting industry to Scotland, and finding finance for that industry, has become in recent years an industry in its own right. One result of this has been the emergence of Edinburgh, relatively small in size and with a population of only about half a million, as a sophisticated financial capital, with its historically powerful banking structure reinforced by the more modern strengths of investment trusts and insurance companies, as well as the assets of foreign banks who have hastened into the city in the wake of the 'black gold' of North Sea oil. The latter now number about 17, primarily from the United States, Canada, France, Switzerland and the middle east, and their numbers are steadily increasing. Individual and corporate short and medium term loans and finance for exports are thus well catered for, and longer term funds are available from the Scottish Development Agency, ICFC and others.

The resulting financial stability of the country has few equals in Europe, and it is in itself a strong attraction to companies considering new locations. Further confidence comes from the energy supply – not only oil, but hydro-electric, coal and nuclear. Water, another prerequisite for industry, is present in abundance and less exploited than almost anywhere else in Europe, and these energy and water resources have a particularly forceful appeal to potential investors from Japan and the United States.

On top of all this Scotland has benefited substantially from regional policy. Large parts of the country qualify as special development areas and are therefore covered by the correspondingly high level of government assistance. All five of the Scottish new towns are in this category. Incentives are granted by the government to both commercial and industrial companies who decide to set up in these areas: those available to manufacturing industry in the new towns include grants of 22 per cent of the cost of new buildings, plant and machinery; loans at concessionary rates, interest relief grants and removal grants; there are also tax concessions, rent free periods and local derating allowances of up to 50 per cent.

A high level of foreign investment has played its part in the modernisation of Scotland's industry – latest estimates put the proportion of overseas companies in the country's manufacturing employment at almost 20 per cent. Such companies have been responsible for over 100 000 new jobs and going on for a fifth of industry's capital expenditure in Scotland over the last 30 years. A large proportion of this investment from abroad is from north America; and the pattern of industries concerned reflects clearly the dramatic shift in the country's industrial base that has been achieved in the last few decades, during which she has moved from an almost total dependence on heavy industry, coal, steel and ship-building, to electronics, chemicals and light or medium engineering. Similar changes in the service sector have made a forceful contribution to the re-alignment of occupations and skills in the Scottish labour force and are further proof of the nation's readiness to take advantage of any swings of the economic pendulum. The foreign firms, and again the Americans are at the forefront, play an increasingly important part in Scotland's exporting activities – in 1978 the 200 American-owned or controlled businesses accounted for a third of total Scottish exports, sending a total of 49 per cent of their output overseas.

The new towns have a satisfying stake in this foreign-based prosperity. Between them the five towns have 120 companies from overseas, coming from 17 different countries, and a great deal of the promotional

Glenrothes.

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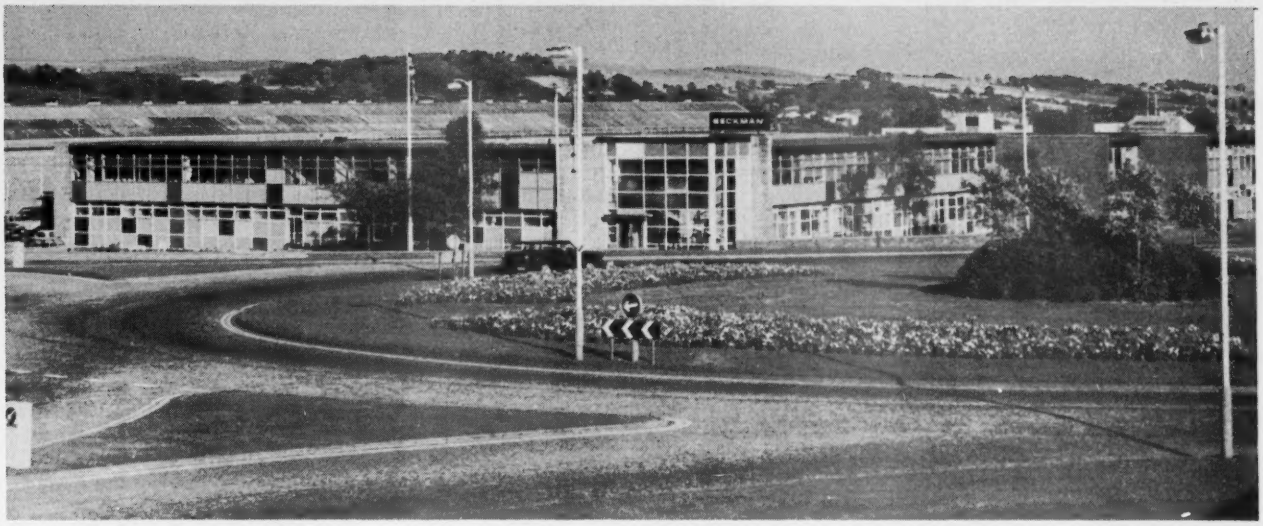
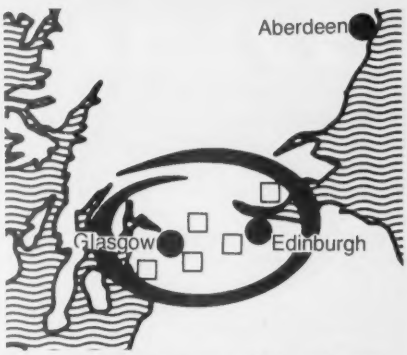


Beckman Instruments, Glenrothes.

activities of their development corporations, as well as of their jointly sponsored London office, are aimed at attracting more. While all good incoming industry and commerce is welcome, it is fair to say that the overseas companies are considered as the jewels in the development corporations' crowns, and the readiness with which they have been absorbed into local communities is an added source of pride.

The 'foreigners' – though they soon cease to be regarded as such – cover a broad spectrum of industry. Oil has naturally been the reason for choosing a new town location for many of them, for instance the Gray Tool Company (Europe), an American-based corporation making oil and gas well control equipment and related products for the energy industry, has its European headquarters in East Kilbride, which was the first of Scotland's new towns and is now the sixth largest town in the country. Motorola is another United States company in that town; it has doubled its original factory size as its output of semiconductors has expanded.

Hyster Europe has been in Irvine since 1960, making a range of forklift trucks – Prince Charles drove one on a recent visit to the factory. An American-owned company with a British management team, the experience of Hyster, which has never suffered a strike or stoppage of any kind since it was established in Irvine, points up one very strong attraction to incoming industry, true of Scotland in general, and of the new towns in particular. This is the question of labour. The country has a reputation for industrial militancy – but it is very largely undeserved. There are hundreds of companies like Hyster that have never had a single industrial dispute: productivity is as high as, or higher than, that of the parent



plants and Scotland as a whole compares favourably with the rest of Europe as far as days lost through strike action are concerned. The new towns are in a particularly favourable position – families are immensely keen to live in them, because of the outstanding qual-

Motorola, East Kilbride, showing recent development building and land reserved for future extensions.

Volvo F7 truck, designed and built in Irvine, has been voted 'Truck of the year 1979'. Volvo occupies a 75 acre site at Irvine and has a production target of 1400 vehicles to be built there during the current year – amounting to a third of all Volvo trucks sold in Britain.

ity of housing, education, and general local amenities; and since houses are largely available only to those with jobs in the town concerned, there is a wide pool of skilled and semi-skilled labour for incoming industry to draw upon, all strongly motivated to obtain for their families the high standards of living which the new towns can provide.

Volvo, the Swedish motor manufacturer, is also in Irvine in the shape of Ailsa Trucks, a subsidiary which supplies some 25 per cent of the British heavy truck market and one of whose designs was recently voted Truck of the Year. Scandinavia's traditional links with Scotland are evinced in the 13 Scandinavian companies now located in the new towns, with manufactures ranging from the heavy goods vehicles of Volvo to such delicate items as the fashion products of Eider Knit, an Icelandic firm established in Cumbernauld, which also has the Swedish firms Atlas Copco, compressed air equipment, and Rolatruc, materials handling equipment.

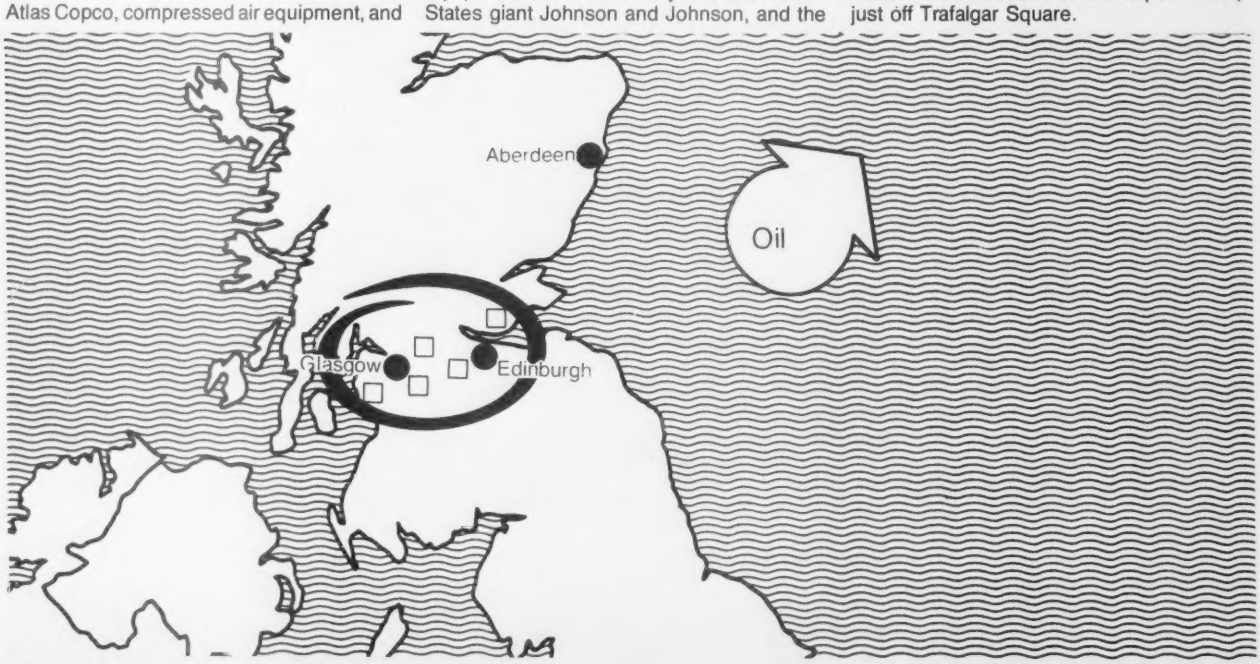
Joint ventures are becoming increasingly popular with overseas investors in the new towns. One of the German companies operating among them is Klaus Fischer, who make measuring and control instruments in Bad Salzuflen and which recently joined with Ingram Electronics of Cumbernaulds in a joint venture.

Scientific and technical research and development has always been one of Scotland's strong suits and the new towns have built on this tradition, helped by their strategic positions which put all of them in easy reach of the eight Scottish universities. Livingston has created Kirkton Campus, specially designated for firms with a high scientific and research content in their operations, and which now houses, among others, Arbrook Products, makers of hospital and medical equipment and a subsidiary of the United States giant Johnson and Johnson, and the third new town plant built by Burroughs Machines, offshot of the Burroughs Corporation of Detroit – its first is in Cumbernauld, second in Glenrothes.

Glenrothes was recently visited by Kingman Brewster, United States ambassador to the UK. He toured several of the town's industrial estates which together accommodate 13 companies of American origin, including such well known names as General Instruments, Microelectronics and Beckman Instruments (the first US company to settle there) which last year celebrated its twentieth anniversary in Glenrothes by announcing a projected investment of $1.5 million dollars in the production of single in-line resistor networks.

Two other United States firms who have chosen to set up in a new town are JLG Industries and the MFE Corporation. JLG announced in March this year that it would build a second plant in Cumbernauld, to the tune of £2 million, having rapidly outgrown their first plant there because of export demand from Europe and the middle east for its aerial work platforms. UK operations account for only 9 per cent of current revenues of the Pennsylvania-based company, but it is growing at a rate of 500 per cent a year. MFE, which specialises in design and manufacture of electro-mechanical products for the electronics industry, became the seventeenth United States firm to set up in Livingston when it opted for a site on the town's Kirkton Campus: first production item there will be a high-technology floppy disk drive.

Rivalry between the five new towns in their efforts to attract new industry, both from home and abroad, runs high, but in 1973 they sank their differences into a joint venture of their own account – the formation of a London office where visiting businessmen can receive a complete and impartial run-down on all aspects of location in the Scottish new towns. Under the directorship of Jack Beckett – a former executive of the PE Consulting Group, concerned with industrial development – the office is at 19 Cockspur Street, just off Trafalgar Square.



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Burroughs may not be British born and bred but we're currently building our third factory in Scotland – our seventh in the United Kingdom – 81 years after opening our first factory here. We currently employ 5,500 people supplying computers to some of the biggest names in British business. Names like ICI, Finefare, B.A.T. (UK and Export). You'll find our computers and terminals throughout the UK banking system, in many of the leading Building Societies and of course in thousands of other businesses both large and small. Some of them we've been with for 50 years or more: with others we're just beginning the partnership.

Could we be more a part of the British way of life than that?

Burroughs

Lose yourself in music. Not wires.

You don't have to be a hi-fi fanatic to love music. But you do need hi-fi sound.

Hitachi have made good sound really simple with their range of matched hi-fi consoles.

You get a superb wooden cabinet, and a choice of amplifiers, belt or Unitorque direct drive turntables and Dolby* cassette decks. All compatible. All meeting the highest standards. Without a wire in sight.

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With a Hitachi hi-fi console you can leave all the wires and electronics to us.

Sit back. And get ready to lose yourself in beautiful music.

HITACHI

Hitachi, in a word reliability

The CHW 5 matched Hi-Fi console (illustrated) consists of the SR 303L 20 watt 3 waveband tuner amplifier; the HT 350 direct drive turntable; the D 220 Dolby* cassette deck and cabinet (speakers are not included). If you would like further information on the CHW 5 or any other Hitachi matched Hi-Fi consoles, please write to, Dept. D, Hitachi Sales (UK) Ltd., Hitachi House, Station Road, Hayes, Middlesex UB3 4DR. *Dolby is a registered trade mark.

Turkey

Import duty. The import duty on butter (BTN 04.03), margarine (BTN 15.13) and tyres and tubes (BTN 40.11) has been increased to 50, 60, and 70 per cent respectively. Duty of 1 per cent was previously charged only on tyres and tubes.

The customs tax on phosphoric acid (BTN 28.10) will be reduced from 15 per cent to 1 per cent when it is to be imported by fertiliser manufacturers that are unable to manufacture their own phosphoric acid.

Inquiries: CRE 01-215 5338.

United States

Special steel quotas. A presidential proclamation, issued on 12 June, announced that quotas on imports of special steels will be phased out over a period of eight months beginning on 14 June. There will be four two-month periods, each with an increased quota and provision for carry-over from one quota period to the next. Sheet, strip, plate and wire rod will continue to be allocated on a country basis with a basket for the EEC. Bar and tool steel will now have a global quota for all countries.

Inquiries: CRE 01-215 5397.

Motor vehicles. The *Federal Register*, 25 May, published a final rule by the Federal Trade Commission revising its enforcement policy requiring manufacturers and distributors to establish written standards and to follow commission guidelines in assigning model years to motor vehicles.

This came into effect on 25 May and affects all motor vehicles shipped to all states except Hawaii.

Inquiries: CRE 01-215 5629.

Foreign-trade zones. *Federal Register*, 21 May, published a notice of proposed rule-making by the United States Customs Service relating to processing costs in foreign-trade zones. Under the proposal customs would no longer include the cost incurred, and profit realised, in processing merchandise containing a 'non-privileged' element in the dutiable value of that merchandise when it enters the customs territory of the United States.

This notice contains comments arising from the advance notice published on 4 October 1978. Those who commented then need not do so again, but comments from others on this change in appraisement practice must be received on or before 20 July.

Speciality steels. The United States Customs Service, on 15 June, announced that all speciality steel quotas, with the exception of plates of stainless steel (item 923.21), have been filled for the restraint period 14 June–13 August.

Inquiries: CRE 01-215 5397.

Overseas trade export services

Mitaka expands its Japanese services

Midlands-based Mitaka Translation is recruiting specialists from Tokyo, to improve its translation and print services to UK exporters to Japan. The company has also doubled its photosetting capacity with another typesetting machine capable of setting about 8000 characters in each typestyle, in sizes from 5.5 to 38 point.

Mitaka is a specialist organisation dealing exclusively with translating, copywriting, design and typesetting in the Japanese language, and is used by many leading European companies and the European offices of major Japanese corporations.

Mitaka began as a purely information translation agency and has progressed to typesetting, design and printing of translations.

Further information: circle 526

. . . and UK-Japan PR link set up

To assist British companies to promote their goods in Japan, Hewland, Ruder and Finn International (HR&F), the British international public relations consultancy, has linked up with the Dentsu PR Centre, the largest public relations consultancy in Japan, to establish an HR&F-Dentsu PR Centre in London.

Dentsu will provide research, market evaluations, exhibitions and promotional campaigns for British clients through HR&F's London office.

Dentsu says that a recent survey in Japan showed that almost 80 per cent of the population regarded themselves as middle or upper-class in economic terms. They were affluent customers for high quality British goods.

Further information: circle 527

Thorn offers West German warehouse space

Companies wanting to break into the West German market but are holding back because of a lack of warehousing could take advantage of space being offered by one of Thorn Electrical Industries product groups.

The group, General Engineering, has a company in West Germany, with warehouses in 14 towns. These are at: Essen; Bochum; Borkum; Herford; Krefeld; Bremen; Wilhelmshafen; Bremerhafen; Librastadt; Bucholt; Gelsen Kirchen and Aurich.

Thorn therefore could provide British companies anxious to get established in West Germany with warehouses, and, if it is wanted, all the necessary ancillary services such as stock receipt, control and despatch, distribution and a telephone service.

Further information: circle 528

Freepost reader service

For further information on items in this section, circle the corresponding number on the reader services page near the end of the magazine.

Banana boats to take back exports

A new, weekly export service from the port of Newport, Gwent, to Jamaica will result from an agreement between British Transport Docks' Board (BTDB), JMM Atlantic Line Ltd, and the Jamaica Producers' Marketing Company Ltd, UK distributors for the Jamaica Banana Board.

BTDB is to carry out an £800,000 development at Middle Quay on the east side of Newport's south dock. The plan is for JMM Atlantic Line vessels to arrive with their banana cargo on Mondays and to sail with export cargoes to Jamaica on Fridays.

Announcing the plan on 21 June, BTDB managing director Keith Stuart said that the new contract was an important addition to Newport's trade with a potential of 140 000 tonnes of bananas and general cargo a year. Mr Stuart pointed out that Newport would be able to handle virtually any commodity and there would be no restrictions on the type of cargo.

Jamaica Producers' UK managing director Nick Horsefield said that for commercial and logistical reasons, it had decided to move its main importing and distribution base from Sheerness to the west side of the country and he hoped that British exporters would take full advantage of this attractive service.

Further information: circle 529

Heathrow terminal change

A significant change to the established pattern of usage of Heathrow airport's passenger terminals takes place on 1 July when a long-haul, intercontinental flight is switched permanently from terminal 3 to terminal 1. The flight is the daily British Airways Boeing 747 service from and to Chicago.

The switch is aimed at making better use of Heathrow's terminal capacities and at improving passenger flows. British Airports is spending £2.1 million on the first stage of alterations at terminal 1 to accommodate additional wide bodied jets.

European community news

Move back to coal, energy meetings told

Concern for community energy supplies, heightened by the oil crisis, and a call to move back to coal as a source of energy was expressed at different meetings at Luxembourg, London and Bournemouth last week.

At London, the energy section of the EEC's economic and social committee discussed possible measures to conserve energy resources including a £6.35 subsidy on each tonne of coal traded between member states. The aim is to increase the amount of coal burnt in power stations and reduce the dependence on oil.

Energy secretary David Howell told the meeting 'the government believes that there must continue to be substantial investment in the coal industry so that it can re-equip itself with modern capacity and provide a secure, efficient base for future expansion. Through "Plan for coal", the British coal industry has already staked its claim on the future and the long-term energy outlook offers it a unique opportunity of reasserting its place in the energy supply of this country.'

Sir Derek Ezra, chairman of the National Coal Board, said that 'in the present situation of diminished oil supplies, coal is the one fuel which can make a significant immediate contribution'.

The meeting called for an EEC co-ordinated policy to save energy and make the most of natural resources including oil, coal and gas.

Other proposals discussed at the meeting were the introduction of measures to develop nuclear energy resources; grants to cover 30 per cent of the cost of installing additional coal-fired electricity generating capacity; and a continued community research effort into new alternative energies.

In Luxembourg, the EEC energy council met on 18 June to discuss the oil situation in preparation for the Tokyo summit on 28–29 June. The council re-affirmed the urgent need for member states to adopt restraint measures and reduce oil imports by 5 per cent. The possibility of introducing a regulation to facilitate compulsory recording of oil purchases was also discussed. This would enable the governments and the commission to monitor prices directly.

At Bournemouth, Europe's coal producers, meeting at the annual assembly of the Association of Coal Producers of the EEC (CEPCEO), called for a concerted policy to maintain community coal output at a level of at least 250 million tonnes a year. CEPCEO affirmed the need to return to coal as a major source of energy on a large scale and to reduce the community's dependence on oil.

More community news

Information on European community matters and about member states can often be found in other sections of *Trade and Industry*. For this week's additional news, turn to the following pages:

Home news

Employee participation cannot be imposed – Prior 572
Companies bill published 572
Changes to toy safety regulations 574

New publications

Chemicals by company 575

Parliament

Lomé II 579
Milk imports 579
Paper tariffs 579
EEC sea and air transport decisions 579
Coal imports 580
EEC anti-dumping procedures 580
Export prices of manufactures 580
Exports and imports 580
Price controls in EEC 581

Overseas trade news

NTI 1744: imports of wool tops from Argentina 583

Country data

France 587
Netherlands 588
United States: special steel 589

Statistics

Current account of UK balance of payments 594
Registrations of British, community and foreign films 611

A Strasbourg stroll for EEC leaders

On a walkabout: Prime Minister Margaret Thatcher, West German Chancellor Helmut Schmidt and French President Valéry Giscard d'Estaing pass Strasbourg cathedral before the EEC heads of government meeting on 21 June. (AP Wirephoto)

Green pound devaluation agreed by EEC ministers

EEC agriculture ministers have agreed to a 5 per cent devaluation in the green pound from 2 July for milk, beef, pigs and sugar, and at the start of the next marketing years for all other commodities. Speaking on his return from the agriculture council held in Luxembourg from 18 to 22 June, agriculture Minister Peter Walker said he argued strongly for an additional 5 per cent green pound devaluation in pigmeat monetary compensatory amounts but without success. But ministers did agree to freeze the price of milk, despite rising productions costs.

Surplus in dairy products over recent years had been the heaviest burden on the common agricultural budget taking more than 40 per cent of the total farm budget (more than £2 billion last year), he explained.

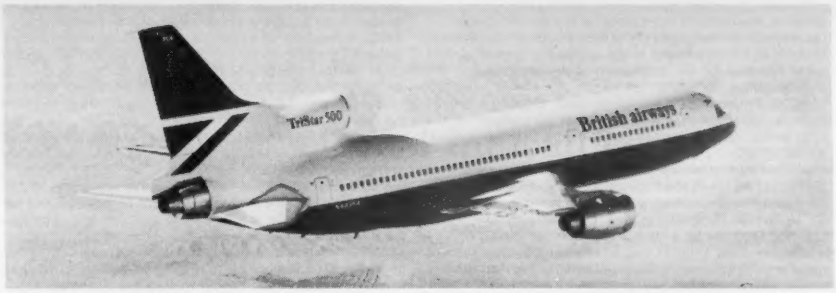
Mr Walker went on to say that the council agreed to a 1½ per cent increase in price on other agricultural commodities. One of his main objectives at the council was to lighten the burden of the CAP on the UK and to bring some substantial benefit to consumers. The council agreed to a special UK butter subsidy equivalent to 12p per pound at the retail stage which would bring prices in the shops down by 6p per pound from this week. The price of New Zealand butter would also fall by the same amount through a reduction in the special levy rather than a direct subsidy. This was the highest butter subsidy the UK had received from the community, more than double the existing subsidy that ended this month, and it would offset any increase in butter prices resulting from the green pound devaluation. It would also reduce the food price index by 0.56 per cent, Mr Walker said.

Anti-dumping investigation begun into acrylic fibres

The European commission has received information that dumping is being practised or that bounties or subsidies are being granted for imports of certain acrylic fibres originating in Greece, Japan, Spain, Turkey and the United States. A full investigation has been announced.

The product falls under CCT subheadings ex 56.01A and ex 56.02A; Nimexe codes 56.01-15; 56.02-15.

Those interested may make representations in writing by 13 July to the Commission of the European Communities, Directorate-General for External Relations, 200 rue de la Loi, B-1049 Brussels, and a copy should be sent to the Department of Trade's Anti-Dumping Unit at 1-19 Victoria Street, London SW1H 0ET.



UK to adopt directive on aircraft noise

A new draft order on aircraft noise shortly to be laid before parliament will not only bring the UK fully into line with the EEC draft directive on limitation of subsonic aircraft noise but introduce even more stringent regulations for UK-registered aircraft.

Opening a debate on the draft directive in the House of Commons on 19 June, Parliamentary Under-Secretary of State for Trade Norman Tebbit explained that the UK, along with a number of other EEC member states, had already effected a rule based on a European Civil Aviation Conference (ECAC) recommendation which prohibited the use at member states' airports of non-noise-certified (nnc) subsonic jets on ECAC states' registers after 30 June 1979.

Mr Tebbit pointed out that ECAC had recommended a similar prohibition on nnc light propeller-driven aircraft added to ECAC states' registers after 31 December 1979, and a prohibition on the use of all nnc subsonic jets on ECAC state registers from dates between 31 December 1984 and 1 January 1988. The UK had already announced its intention of following these two recommendations. The directive, which Mr Tebbit described as a small and useful step in improving the environment of the community, incorporated all these requirements.

Mr Tebbit told the house that, at present, aircraft noise was subject within the community to the requirements of the Internation Civil Aviation Organisation (ICAO) and ECAC and that these were applied in varying degrees in the national law of member states.

The directive, he said, would ensure standardisation of the extent to which noise limitation measures were enforced internally and ensure that aircraft from other member states conformed to existing international standards.

At present, he explained, where UK requirements were more stringent than international ones, the UK did not require foreign registered aircraft to conform to them. This would remain unchanged, he said, except that EEC aircraft would have to conform to standards of the directive.

But Mr Tebbit pointed out that once the directive was adopted member states would have to proceed by common action in international fora on aircraft noise and that this was a 'serious matter' since it placed restraint on each state's ability to act independently.

The UK, he said, would continue to take the view that the ICAO committee on aircraft noise on which the UK and three other member states were represented should continue to be the main international forum for discussions on aircraft noise. However, he was satisfied that the extension of the community's authority that the directive would produce would be justified by the extra powers it would bring to limit the noise of aircraft from other member states.

Mr Tebbit pointed out that the community's 'comprehensive civil aviation programme' which had been agreed recently by the commission had not yet been presented to the council of ministers.

Although he hoped to be able to take a constructive view of its proposals, acceptance of this directive in no way committed the UK to the acceptance of further measures in civil aviation. He said he would consider each proposal on its merits.

. . . and commission agrees air transport programme

Proposals for the development of air transport services in the European community have been agreed by the European commission.

The main objectives of this civil aviation action programme over the next several years are: a total network, unhampered by national barriers with efficient services, beneficial to the different user groups at prices as low as possible without discrimination; financial soundness for the airlines, a dimunition of their costs of operation and an increase in their productivity; safeguarding the interests of airline workers in the general context of social progress including elimination of obstacles to the free access to employment; and improvements in conditions for the general public and respect for the wider interests of EEC economies and societies.

Among the measures proposed to achieve these objectives are: wider application of cheap tariffs within the community; improved possibilities for developing new scheduled services (including innovatory low fare services and new international services between regional airports); extended scope for non-scheduled services; simplification of formalities; harmonisation of technical standards for aircraft; and mutual recognition of qualifications of air crews and ground staff.

The programme is likely to take several years to achieve, and the changes suggested should be evolutionary. Most of the proposals will require unanimous agreement by the council of ministers before they can be accepted.

Member states will continue to negotiate bilateral air service agreements with other states, but a consultation procedure is proposed on matters of common interest raised in international organisations and in bilateral negotiations with non-member states.

This is not the first time the commission has made proposals in the air transport sector. In 1972 there was a 'Draft council decision on first steps towards joint action' (COM(72)695 Final) and in 1975 a 'Report and proposed decision on a programme of action for the European aeronautical sector' – the so-called Spinelli report (COM(75)475 Final). So far as air transport is concerned, these proposals were not well received by member states who regarded them as too far-reaching, involving the creation of a European airspace and the conclusion of agreements between the community and third countries. No community measures in civil aviation stemmed from these earlier proposals.

In June 1977, the council established a working party to study air transport questions and identify those areas that might be examined at community level. These new proposals from the commission turn some of the items that the council of ministers agreed in 1978 should be studied into a programme for discussion in member states before specific items are proposed for community action.

Alleged dumping of iron and steel products

The European commission has received information indicating that dumping is being practised or that bounties or subsidies are being granted in respect of certain angles, shapes and sections of iron or steel, not further worked than cold-formed or cold-finished from coils for re-rolling, universal plates, hoop, strip, sheets or plates (CCT sub-heading: ex 7311 AIII Nimexe code: ex 7311–31) originating in Romania and that this is causing injury to a community industry.

In conjunction with the member states, the commission has accordingly started examination of the matter at community level in accordance with council regulation (EEC) 459/68 of 5 April 1968 on protection against dumping or the granting of bounties or subsidies by countries which are not members of the European Economic Community, as modified by regulation (EEC) 2011/73 and (EEC) 1411/77.

Any information relating to the matter may be sent in writing to the Commission of the European Communities, Directorate-General for External Relations, 200 Rue de la Loi, 1049 Brussels.

Those interested may by 12 July make known their views in writing, in particular by replying to the questionnaire addressed to those known to be concerned and by providing supporting evidence.

Furthermore, the commission will hear those directly concerned who so request when making known their views to the commission, provided they can show that they have an interest sufficient to entitle them to express their views more fully.

It would be helpful if copies of all representations to the commission could also be sent to the Department of Trade's Anti-Dumping Unit, Room 405, 1–19 Victoria Street, London SW1H 0ET.

Directive introduces notification scheme for dangerous substances

The sixth amendment to the 1967 EEC directive on the classification, packaging and labelling of dangerous substances was agreed by the council of ministers on 19 June.

This amendment brings the labelling provisions of the original directive up to date and also introduces a notification scheme for new substances. The scheme requires anyone placing a substance on the market for the first time, in quantities of more than 1 tonne per annum, will be required to notify the competent authority of the member state in which it is to be marketed at least 45 days in advance. Information must be provided on the identity of the substance, production data, its physico-chemical properties, and data relating to toxicological and eco-toxicological studies, which will be examined by the competent authority to ensure that it conforms with the directive, and to order further testing if required.

The notification scheme will be implemented in the UK in approximately two years time. The labelling provisions will be implemented by the same time through an amendment to the 1978 UK regulations.

Anti-dumping/ anti-subsidies investigation closed

The European Commission has announced the closure of the anti-dumping/anti-subsidies investigation into bovine cattle leather originating in Brazil.

In the course of the investigation the Brazilian government gave undertakings which have satisfied the commission that the introduction of protective measures is unnecessary at present.

The full text of the announcement was published in the *Official Journal of the European Communities*, C152, 19 June.

New EEC documents

This list of EEC documents was deposited in the House of Commons up to 19 June 1979 (Commission reference numbers where appropriate, are given in parentheses). These documents are available for consultation at the European Communities Commission Information Office, 20 Kensington Palace Gardens, London W8 4QQ.

EEC draft instruments

7110/79. Proposal for a council decision opening quotas for imports into Italy of certain products originating in Romania. (COM(79)255).

5574/79. Proposal for a council regulation amending council regulation (EEC) 3059/78 on common rules for imports of certain textile products originating in third countries. (COM(79)108).

5711/79. Proposal for a council decision adopting a research programme to be implemented by the joint research centre for Euratom and the EEC (1980-83). (COM(79)121).

5711/79 Add 2. Proposals for a council decision adopting a research programme to be carried out by the joint research centre for Euratom and the EEC (1980-83). (COM(79)121 FINAL).

5838/79. Proposal for a council regulation (EEC) temporarily and partially suspending the autonomous common customs tariff duties on certain types of fish. (COM(79)185).

6049/79. Amendments to the proposal for a council directive on the methods of measurement and frequencies of sampling and analysis of the parameters of the quality required of surface water intended for the abstraction of drinking water in the member states. (COM(79)159).

6150/79. Proposal for a council decision adopting a second multi-annual research and development programme for the EEC in the field of textiles and clothing (indirect action). (COM(79)166).

6151/79. Proposal for a council regulation amending regulation (EEC) 2511/69 laying down special measures for improving the production and marketing of community citrus fruit. (COM(79)178).

6206/79. Proposal for a council regulation amending council regulations (EEC 1408/71 and 574/72 on the application of social security schemes to employed persons and their families moving within the community; proposal for a council regulation amending the annexes to regulations (EEC) 1408/71 and 574/72 on the application of social security schemes to employed persons and their families moving within the community. (COM(79)172).

6214/79. Proposals for a council directive amending directive 77/99/EEC on health problems affecting intra-community trade in meat products. (COM(79)169).

6236/79. Proposal for a council regulation (EEC) suspending the application of indicative ceilings established by regulations (EEC) 3175/78, 3176/78 and 3177/78 for the imports of certain products originating in Norway, Portugal and Sweden. (COM(79)170).

6407/79. Draft council regulation (EEC) increasing the community tariff quota opened by regulation (EEC) 964/78 for certain eels falling within sub-heading ex 03.01 A II of the common customs tariff. (COM(79)206).

6861/79. Draft council regulation (EEC) on the opening, allocating and administration of a community tariff quota for certain eels falling within sub-heading ex 03.01 A II of the common customs tariff (1 July 1979-30 June 1980). (COM(79)256).

7053/79. Proposal for a council directive amending for the first time council directive 76/768/EEC of 27 July 1976 on the approximation of the laws of the member states relating to cosmetic products. (COM(79)250).

7089/79. Proposal for a council directive amending directive 76/630/EEC concerning surveys of pig production to be made by member states.(COM(79)251).

7118/79. Amendment of the amended proposal for a council regulation (EEC) on the common organisation of the market in ethyl alcohol of agricultural origin and laying down additional provisions for certain products containing ethyl alcohol. (COM(79)237).

7167/79. Draft commission decision concerning coal and coke for the iron and steel industry of the community.(COM(79)263).

6249/79. Proposal for a council regulation (EEC) amending regulation (EEC) 154/75 as regards the financing of the register of olive cultivation. (COM(79)174).

6271/79. Proposal for a council regulation opening, allocating and providing for the administration of a community tariff quota for aubergines falling within sub-heading ex 07.01 T of the common customs tariff, originating in Cyprus (1979). (COM(79)171).

6276/79. Amendment to the proposal for a council regulation on technical measures for the conservation of fishery resources. (COM(79)200).

6284/79. Proposals for council decisions: amending fifth decision 76/538/EEC on the equivalence of field inspections carried out in third countries on seed-producing crops; amending fifth decision 76/539/EEC on the equivalence of seed produced in third countries. (COM(79)183).

6335/79. Proposal for a council regulation (EEC) concerning the allocation of a community quota of wine of fresh grapes, intended to be fortified for distillation, originating in Algeria (1979-80). (COM(79)177).

6285/79. Proposal for a council directive amending for the second time directive 74/329/EEC on the approximation of the laws of the member states relating to emulsifiers, stabilisers, thickeners and gelling agents for use in foodstuffs. (COM(79)184).

6307/79. Proposal for a council regulation (EEC) opening, allocating and providing for the administration of a community tariff quota for fresh or chilled tomatoes falling within sub-heading ex 07.01 M of the common customs tariff, originating in the African, Caribbean and Pacific states and in the overseas countries and territories (1979-80). (COM(79)187).

6336/79. Proposal for a council regulation (EEC) opening, allocating and providing for the administration of community tariff quotas for certain wines having a registered designation of origin, falling within sub-heading ex 22.05 C of the common customs tariff, originating in Tunisia (1979-80). (COM(79)186).

6352/79. Proposal for a council regulation prohibiting the use of inward processing arrangements for whey. (COM(79)168).

6357/79. Proposal for a council regulation (EEC) on arrangements for the importation into the Benelux countries of jute yarn originating in India. (COM(79)192).

6386/79. Draft council decision on the conclusion of an agreement on a concerted action project in the field of the registration of congenital abnormalities (medical and public health research). (COM(79)204).

6393/79. Proposal for a council regulation amending the financial regulation of 21 December 1977 applicable to the general budget of the European communities. (COM(79)202).

6402/79. Proposal for a tenth council directive on the harmonisation of the laws of the member states relating to turnover taxes. (COM(79)181).

6403/79. Proposal for a council regulation laying down, in respect of hops, the amount of the aid to producers for the 1978 harvest. (COM(79)213).

6421/79. Proposals for a council decision amending the quotas for imports into Italy and France of certain products originating in Romania. (COM(79)217).

6564/79. Proposal for a council directive amending for the seventh time directive 73/241/EEC on the approximation of the laws of the member states relating to cocoa and chocolate products intended for human consumption. (COM(79)232).

6565/79. Proposal for a council regulation extending the period of validity of regulation (EEC) 2862/77 on levies applicable to imports of certain adult bovine animals and beef from Yugoslavia. (COM(79)233).

6736/79. Proposal for a council regulation (EEC) fixing the basic and buying-in prices for apples for the month of June 1979. (COM(79)226).

6422/79. Proposal for a council regulation imposing a definitive anti-dumping duty on a certain herbicide originating in Romania. (COM(79)222).

6450/79. Proposals for a council regulation (EEC) amending regulation (EEC) 2753/78 laying down general rules in respect of production aid for olive oil for the 1978-79 marketing year. (COM(79)225).

6893/79. Proposal for a council directive (EEC) on the approximation of the laws of the member states relating to powerful industrial trucks. (COM(79)229).

(COM(79)116 FINAL) Use of community instruments and greater convergence of economic performance.

(COM(79)118 FINAL) Community energy policy.

(COM(79)119 FINAL) Employment and social policy.

Consultative documents

6996/79. Commission communication to the council: conclusion by the community of the council of Europe convention on the conservation of European wildlife and natural habitats. (COM(79)264).

6212/79. Council recommendation on the discharge to be given to the commission in respect of the implementation of the budget and of the amending and supplementary budgets of the European communities for the financial year 1977. (FIN 211, ASS 52, R).

6765/79. Preliminary draft supplementary budget for 1979 (new supplementary estimate of the European parliament for 1979). (FIN 260, ASS 76, R).

7206/79. Proposal for a council decision adopting a European Economic Community research and development programme in the agricultural research sector consisting of four multi-annual concerted projects. (RECH 45, R).

6294/79. Technological problems of nuclear safety – second progress report. (COM(79)173).

6310/79. List of the requests for the non-automatic carryover of appropriations from the financial year 1978 to 1979. (COM(79)214).

6405/79. Maximum rate applicable to non-compulsory expenditure under the 1980 budget. (FIN 223, R).

6444/79. Financial situation of the European communities on 31 December 1978. (COM(79)125).

6491/79. Proposal for a transfer of appropriations between chapters of the commission budget estimates for the financial year 1979 (international agreements – fisheries). (COM(79)227).

6492/79. Proposals for a transfer of appropriations between chapters within the commission budget estimates for the financial year 1979 (automobile transports safety). (COM(79)230).

6570/79. Proposal for the transfer of appropriations within the budget estimates of the court of auditors for the financial year 1979. (COM(79)260).

6724/79. Memorandum on the accession of the European communities to the convention for the protection of human rights and fundamental freedoms. (COM(79)210).

6394/79. Report by the commission to the council on the objectives to be pursued in the long term and the measures to be taken to promote partial or total integration of railway undertakings at community level (article 11(2) of council decision 75/327/EEC of 20 May 1975). (COM(79)205).

6926/79. Proposal for the transfer of appropriations from one chapter to another within the commissions' budget estimates for the financial year 1979 (statistical studies and surveys). (COM(79)253).

5407/79. Commission decision implementing council regulation (EEC) 1303/78 on the granting of financial support for demonstration projects in the field of energy-saving. (COM(79)229).

5666/79. Energy situation in the community and in the world. (COM(79)142).

5704/79. Multi-annual programme for the attainment of customs union. (COM(79)8).

6691/79. Communication on the social aspects of the restructuring of the steel industry; draft commission decision on the creation of special temporary allowances to help workers in the iron and steel industry under the community restructuring programme. (COM(79)199).

Finance for technology

The National Research Development Corporation provides financial and other support for technological developments of potential commercial importance. NRDC promotes the adoption by industry of new products and processes invented in government laboratories, universities and elsewhere. Further details are available from the National Research Development Corporation, Kingsgate House, 66-74 Victoria Street, London SW1E 6SL.

Statistics

The economy: selected indicators[1]

Series are seasonally adjusted except where shown otherwise

	Gross domestic product (average estimate)	Consumers' expenditure	Fixed capital expenditure			Changes in stocks				Balance of payments		
				of which			of which					
			Total	Manufacturing industry	Distributive and service industries excl. shipping	Total	Manufacturing industry	Wholesalers'	Retailers'	Current balance	Visible balance	Invisible balance
	at 1975 prices		at 1975 prices			at 1975 prices				at current prices		
Base of index Series in Stock level at end-1977	1975	£ million	£ million			£ million 34,469	19,995	4,540	3,181	£ million		
1973	103.3	65 586	21 609	3 504	4 674	2 983	1 336	432	624	−967	−2 383	1 416
1974	101.4	64 215	21 173	3 822	4 605	1 459	1 288	361	−180	−3 550	−5 235	1 685
1975	100.0	63 387	20 536	3 522	3 841	−1 623	−1 221	−249	−100	−1 787	−3 236	1 449
1976	102.9	63 554	20 395	3 345	3 926	245	316	131	13	−1 072	−3 601	2 529
1977	104.9	62 983	19 961	3 573	4 325	949	442	266	29	371	−1 744	2 115
1978	108.2	66 512	20 456	3 856	4 677	1 034	597	− 6	333	443	−1 175	1 618
1976 3rd qtr	103.3	15 930	5 177	849	1 005	160	99	81	46	−421	−1 136	715
4th qtr	104.2	16 009	4 955	856	1 014	264	1 264	17	27	−292	−966	674
1977 1st qtr	103.8	15 630	4 821	851	1 030	402	235	82	117	−401	−946	545
2nd qtr	104.5	15 556	5 010	879	1 044	289	97	179	4	−253	−779	526
3rd qtr	104.9	15 872	5 057	910	1 103	−73	−6	−80	−59	513	−3	516
4th qtr	106.5	15 925	5 073	932	1 149	331	116	85	−33	512	−16	528
1978 1st qtr	106.0	16 348	5 152	923	1 162	323	38	81	62	−369	−596	227
2nd qtr	108.4	16 475	5 147	963	1 174	295	272	−62	128	208	−173	381
3rd qtr	109.3	16 853	5 132	982	1 162	304	175	45	54	154	−367	521
4th qtr	109.2	16 836	5 025	988	1 179	112	112	−59	89	450	−39	489
1979 1st qtr	107.6	17 040 p	4 922	948	1 214	432	33 p	76 p	87 p	−787	−11 81	394
% change last 2 qtrs on prev. 2 qtrs.	−0.4	+1.6	−3.2	−0.5	+2.4							
on a year earlier	+2.0	+5.0	−2.7	+4.4	+3.5							

	Industrial production		Personal expenditure		Prices and earnings					Labour (UK)			Visible trade (volume)	
	Total all industries	Total manufacturing industries	Retail sales	Cars: new registrations	Retail prices	% increase on a year earlier	Wholesale prices: all manufacturing industry: basic materials and fuel used	Wholesale prices: all manufacturing industry: manufactured products: home sales	Average gross earnings of all employees (GB, all industries and services covered)	Unemployed excluding school leavers and adult students: mid-month count	Unemployed excluding school leavers and adult students: % of total employees	Unfilled vacancies for adults: mid-month count	Export	Import
				monthly averages									On a balance of payment basis	
	at 1975 prices		at 1971 prices		(not seasonally adjusted)				(old series)				at 1975 prices	
Base of index £m in base year Series in	1975	1975	1971 16,296	thousands	Jan. 1974		1975	1975	Jan. 1970	thousands		thousands	1975 19,463	1975 22,699
1973	109.5	108.3	110.3	137.1	93.5	9.1	58.8	66.7	152.1	611.0	2.6	307.0	97.7	108.8
1974	105.1	106.5	109.0	102.8	108.5	16.0	86.8	81.8	179.1	599.7[2]	2.6[2]	301.6[2]	104.2	109.7
1975	100.0	100.0	106.7	97.2	134.8	24.2	100.0	100.0	226.6	929.1	3.9	148.0[2]	100.0	100.0
1976	102.0	101.4	106.5	104.7	157.1	16.5	127.0	117.3	261.8	1 269.3[2]	5.3[2]	119.7[2]	109.7	105.6
1977	105.8	102.8	103.6	107.1	182.0	15.8	145.6	140.5	288.5	1 378.0	5.7	155.8[2]	118.9	107.2
1978	109.8	103.6	109.2	130.1	197.1	8.3	144.6	153.3	330.2	1 376.5	5.7	210.4	122.9	112.6
1977 1st qtr	105.6	103.9	103.3	102	174.1	16.5	144.8	133.0	280.2	1 333.3	5.5	..	115.9	108.8
2nd qtr	105.5	102.4	102.4	104	181.9	17.4	148.8	139.6	284.4	1 353.4	5.6	154.3	117.7	110.6
3rd qtr	106.2	103.0	104.2	110	184.7	16.5	146.5	143.8	289.1	1 403.1	5.8	153.7	124.6	107.3
4th qtr	105.8	101.8	104.7	113	187.4	13.1	142.2	145.8	300.3	1 422.2	5.9	163.6	117.3	102.3
1978 1st qtr	107.0	102.3	106.4	128	190.6	9.5	140.2	149.2	310.9	1 415.7	5.9	185.9	119.6	113.5
2nd qtr	110.7	104.5	107.9	133	195.8	7.7	146.3	151.8	327.8	1 388.6	5.7	206.3	122.2	109.7
3rd qtr	111.5	105.2	110.7	133	199.2	7.8	144.9	154.8	335.7	1 367.9	5.7	215.2	124.8	114.9
4th qtr	110.0	102.6	111.7	127	202.6	8.1	147.1	157.3	346.4	1 333.7	5.5	234.2	124.8	112.3
1979 1st qtr	108.9	101.4	110.3	131	208.9	9.6	152.2	161.6	356.5	1 356.7	5.6	232.6	110.3	113.3
1978 Apr	111.0	105.1	106.9	130	194.6	7.9	145.1	150.9	324.1	1 403.0	5.8	199.8	124.3	104.8
May	110.0	103.5	108.2	127	195.7	7.7	146.8	151.9	326.2	1 384.8	5.7	205.6	120.5	113.3
Jun	111.1	104.9	108.6	142	197.2	7.4	147.0	152.7	333.0	1 378.1	5.7	213.4	121.9	111.1
Jul	111.6	105.1	111.0	111	198.1	7.8	145.8	153.8	333.2	1 370.2	5.7	211.1	125.7	114.3
Aug	112.1	106.0	111.7	142	199.4	8.0	144.2	154.8	334.7	1 373.4	5.7	211.8	124.5	111.3
Sep	110.8	104.4	109.6	144	200.2	7.8	144.8	155.7	339.2	1 360.2	5.6	222.8	124.3	119.1
Oct	108.8	101.7	110.2	133	201.1	7.8	145.7	156.6	344.5	1 349.9	5.6	231.8	125.9	110.8
Nov	109.8	102.5	110.5	126	202.5	8.1	147.3	157.1	344.5	1 331.7	5.5	234.9	122.5	113.7
Dec	111.5	103.7	113.8	121	204.2	8.4	148.3	158.3	350.1	1 319.6	5.5	235.9	126.0	112.5
1979 Jan	103.4	93.4	109.6	121	207.2	9.3	150.8	160.0	344.7	1 342.1	5.6	235.7	113.0	107.1
Feb	110.7	103.5	110.4	117	208.9	9.6	152.2	161.7	355.6	1 366.5	5.7	228.9	100.7	117.0
Mar	112.5	107.3	110.8	156	210.6	9.8	153.5	163.2	369.3	1 361.5	5.6	233.1	117.3	115.7
Apr	115.0 p	106.8 p	115.4	158	214.2	10.1	158.3 p	165.3 p	367.9 p	1 327.4	5.5	245.3	128.4	127.2
May			113½p	172	215.9	10.3	160.7 p	167.2 p		1 306.4 p	5.4 p	257.3 p	133.6	127.8
% change latest 3 months														
on prev. 3 months	+4.1	+6.0	+1.3	+35.4	+3.3		+4.7	+3.3	+5.1	−0.8		+5.0	+11½	+10
on a year earlier	4.0	+2.6	+5.2	+20.9	+10.1		+8.9	+9.5	+15.0	−4.8		+23.1	+4	+11

p Provisional. e Estimate. [1] Including figures published on or before 22 June 1979. [2] Average of available months.

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Current account of the United Kingdom balance of payments: May

The figures for May and for the previous four months of 1979 given in this article have been affected by the impact of the road haulage dispute in January. In addition certain distortions to the flow of information on which they are based have resulted in some trade relevant to the period January to May not being included in the recorded figures but being carried over into subsequent months (see notes 1 and 2). The published figures, therefore, provide little guide to the underlying monthly movement in trade. Even the aggregated figures for January to May, on which much of the commentary is this article is based, are distorted.

May

In May, the figures show a deficit on current account of £75 million. The figures of visible trade record a deficit of £185 million, with exports at £3,437 million and imports at £3,622 million. The invisible surplus is projected at £110 million.

Because of the various distortions to the figures, interpretation of the monthly information is difficult. However, after making allowance for these distortions, it is likely that the value of imports continued to rise in May, while exports remained comparatively sluggish.

The remainder of the commentary in this article relates to the five-month period January to May, over which time estimates of the effect of the various distortions can be better assessed. Revised estimates of the impact of the information flow distortion are given in note 1.

Current account and visible balance

January-May

In the first five months of 1979, the figures record a deficit on current account of some £1.1 billion (a monthly average of £220 million), a deficit of around £1.7 billion (£340 million a month) on visible trade being partly offset by a surplus on invisibles of some £0.6 billion (£120 million a month).

As explained in last month's article, the figures of visible trade in the first five months of this year have been distorted in two ways (see notes 1 and 2), and it is very difficult to make quantified estimates of the distortions. In respect of the visible trade balance, the two distortions in the January-May period were in opposite directions. Because of the interruption of the normal information flow, some trade will be recorded in future months which was really appropriate to January-May. Estimates of the effect of this distortion over the period now include some additional trade which was not covered in the estimates made for last month's article. The net effect of this distortion is that the deficit on visible trade, as recorded, is probably some £600 million less than it otherwise would have been. On the other hand, because of the road haulage dispute, it is likely that exports – but

Table 1 Current account

£ million seasonally adjusted

	Current balance	Visible trade: Visible balance	Visible trade: Exports fob	Visible trade: Imports fob	Invisibles: Balance	Invisibles: Credits	Invisibles: Debits
1978 3rd quarter	+154	−367	9 051	9 418	+521	4 702	4 181
4th quarter	+450	−39	9 220	9 259	+489	4 728	4 239
1979 1st quarter	−787	−1 181	8 390	9 571	+394	4 817	4 423
1978 December	+204	+41	3 127	3 086	+163 [2]		
1979 January	+6	−126	2 810	2 936	+132 [2]	Monthly figures of credits and debits are not available	
February	−635	−766	2 565	3 331	+131 [2]		
March	−158	−289	3 015	3 304	+131 [2]		
April	−217	−327	3 275	3 602	+110 [1]		
May	−75	−185	3 437	3 622	+110 [1]		
Jan-May 1979	−1 079	−1 693	15 102	16 795	+614		

[1] Invisibles are projections and subject to revision as information becomes available. [2] One-third of the appropriate calendar quarter's estimate; monthly figures of invisibles not available.

Table 2 Current balance, visible trade and invisible trade

Balance of payments basis

£ million seasonally adjusted

	Current balance	Visible trade: Visible balance	Visible trade: Exports fob	Visible trade: Imports fob	Invisible balance
1977	+371	−1 744	32 148	33 892	+2 115
1978	+443	−1 175	35 432	36 607	+1 618
1977 1st quarter	−401	−946	7 520	8 466	+545
2nd quarter	−253	−779	7 921	8 700	+526
3rd quarter	+513	−3	8 531	8 534	+516
4th quarter	+512	−16	8 176	8 192	+528
1978 1st quarter	−369	−596	8 408	9 004	+227
2nd quarter	+208	−173	8 753	8 926	+381
3rd quarter	+154	−367	9 051	9 418	+521
4th quarter	+450	−39	9 220	9 259	+489
1979 1st quarter	−787	−1 181	8 390	9 571	+394
1978 December	+204	+41	3 127	3 086	+163 [2]
1979 January	+6	−126	2 810	2 936	+132 [2]
February	−635	−766	2 565	3 331	+131 [2]
March	−158	−289	3 015	3 304	+131 [2]
April	−217	−327	3 275	3 602	+110 [1]
May	−75	−185	3 437	3 622	+110 [1]

[1] Invisibles are projections and subject to revision as information becomes available. [2] One-third of the appropriate calendar quarter's estimate; monthly figures of invisibles are not available.

Table 3 Invisibles

£ million seasonally adjusted

	Invisibles: Total: Balance	Total: Credits	Total: Debits	of which private sector and public corporations [1]: Balance	Credits	Debits
1977	+2 115	16 414	14 299	+4 807	14 971	10 164
1978	+1 618	18 085	16 467	+4 875	16 000	11 125
1977 2nd quarter	+526	4 064	3 538	+1 203	3 752	2 549
3rd quarter	+516	4 130	3 614	+1 194	3 760	2 566
4th quarter	+528	4 187	3 659	+1 181	3 729	2 548
1978 1st quarter	+227	4 257	4 030	+1 118	3 776	2 658
2nd quarter	+381	4 398	4 017	+1 150	3 895	2 745
3rd quarter	+521	4 702	4 181	+1 380	4 167	2 787
4th quarter	+489	4 728	4 239	+1 227	4 162	2 935
1979 1st quarter	+394	4 817	4 423	+1 222	4 300	3 078
1979 April	+110 [2]	n.a.	n.a.	n.a.	n.a.	n.a.
May	+110 [2]					

n.a. Not available. [1] ie excluding general government transactions and all transfers. [2] See note 1 of table 2.

not imports – have been reduced in the January-May period and that some rebound, much of which occurred in April and May, may still be expected. The size of rebound is difficult to assess especially as there may be some loss of exports, reflecting cancelled orders. If allowance is made for the various distorting influences, the best assessment that can be made at this stage of what the visible balance might have been in the period January to May is a deficit of the order of £2 billion (£400 million a month). This includes what is probably an erratically large increase in imports, so that the deficit overstates the underlying position.

IMPORTS

The import figures over the first five months of 1979 are estimated to have been some £950 million lower than what they would otherwise have been as a result of the distortion to the flow of information to the statistical office. The effects of the road haulage dispute are fully encompassed within this period. After allowing for the effects of the distortion due to information flow, the average monthly value of imports moving through the ports during January to May is likely to have been around £3,550 million – rather than £3,359 million as published. This represents a marked increase on the £3,113 million in the second half of last year, and includes large rises in imports of road vehicles and chemicals.

EXPORTS

For exports, the information flow distortion has reduced trade, as recorded, in the first five months of 1979 by around £350 million. However, the effect of the road haulage dispute over these five months is still adverse although further recovery may be expected. After making rough allowance for the distortions, the value of exports in the first five months is likely to have been running not much above the level of the second half of last year. Since the export unit value index has continued to rise over the period, the implication of the figures is that the volume of exports has fallen a little so far this year. One major reason for this fall is a substantially lower level of deliveries to Iran and Nigeria (a decline of about £100 million a month in the value terms).

INVISIBLES

The surplus on invisibles in the first five months of this year is projected at around £600 million. The estimated surplus for the first quarter was £394 million (a monthly average of £131 million), with credits of £4,817 million and debits of £4,423 million. Invisibles of the private sector and public corporations, excluding transfers, were in surplus by £1,222 million in the first quarter (a monthly average of £407 million). The latest projection shows a fall compared with the first quarter, reflecting

Table 4 Export and import unit value and volume index numbers

Balance of payments basis — Indices 1975 = 100

	Unit value (Not seasonally adjusted)			Volume (Seasonally adjusted)	
	Exports	Imports	Terms of trade [1]	Exports	Imports
1977	142.5	141.3	100.8	118.9	107.2
1978	155.1	146.4	105.9	122.9	112.6
1977 1st quarter	135.8	137.1	99.1	115.9	108.8
2nd quarter	141.5	140.7	100.6	117.7	110.6
3rd quarter	145.3	143.4	101.3	124.6	107.3
4th quarter	147.4	143.9	102.4	117.3	102.3
1978 1st quarter	149.6	141.5	105.7	119.6	113.5
2nd quarter	153.2	146.0	104.9	122.2	109.7
3rd quarter	157.0	148.0	106.1	124.8	114.9
4th quarter	160.6	150.3	106.9	124.8	112.3
1979 1st quarter	165.6	153.8	107.7	110.3	113.3
1978 December	161.5	151.0	107.0	126.0	112.5
1979 January	163.3	152.0	107.4	113.0	107.1
February	165.9	153.4	108.1	100.7	117.0
March	167.6	156.1	107.4	117.3	115.7
April	168.8	155.0	108.9	128.4	127.2
May	169.1	156.6	108.0	133.6	127.8

[1] Export unit value index as a percentage of the import unit value index.

Table 5 Balance of trade in oil and in other goods

Balance of payments basis — £ million seasonally adjusted

	Visible balance		
	Total trade	Trade in oil [1]	Trade in other goods
1977	−1 744	−2 791	+1 047
1978	−1 175	−2 015	+840
1977 2nd quarter	−779	−761	−18
3rd quarter	−3	−590	+587
4th quarter	−16	−659	+643
1978 1st quarter	−596	−620	+24
2nd quarter	−173	−414	+241
3rd quarter	−367	−501	+134
4th quarter	−39	−480	+441
1979 1st quarter	−1 181	−237	−944
1978 December	+41	−183	+224
1979 January	−126	−62	−64
February	−766	−78	−688
March	−289	−97	−192
April	−327	−114	−213
May	−185	−54	−131

[1] Trade in petroleum and petroleum products.

Table 6 Trade in oil [2]

Balance of payments basis — Seasonally adjusted

		Exports of oil			Imports of oil				
	Balance of trade in oil	Total	Crude oil [1] [SITC (rev 2) 333.0]	Rest of division 33	Total	Crude oil [SITC (rev 2) 333.0]			Rest of division 33
	£ million fob	£ million fob	£ million fob	£ million fob	£ million fob	£ million fob	Million tonnes	Average value per tonne £ fob	£ million fob
1977	−2 791	1 979	915	1 064	4 770	3 685	68.6	53.8	1 085
1978	−2 015	2 235	1 240	995	4 250	3 285	65.9	49.8	965
1977 1st quarter	−781	464	163	301	1 245	991	18.9	53.0	254
2nd quarter	−761	514	242	272	1 275	1 000	18.3	54.4	275
3rd quarter	−590	568	309	259	1 158	880	16.2	54.3	278
4th quarter	−659	433	201	232	1 092	814	15.2	53.4	278
1978 1st quarter	−620	480	273	207	1 100	848	16.9	50.0	252
2nd quarter	−414	550	312	238	964	742	14.2	52.0	222
3rd quarter	−501	617	341	276	1 118	884	17.8	50.1	234
4th quarter	−480	588	314	274	1 068	811	17.0	47.6	257
1979 1st quarter	−237	743	438	305	980	676	13.9	48.7	304
1978 December	−183	177	90	87	360	279	5.8	48.2	81
1979 January	−62	263	176	87	325	247	5.2	47.8	78
February	−78	272	153	119	350	244	5.1	48.0	106
March	−97	208	109	99	305	185	3.6	51.1	120
April	−114	274	180	94	388	251	4.9	50.8	137
May	−54	325	234	91	379	243	4.5	54.7	136

[1] Not seasonally adjusted. [2] Trade in petroleum and petroleum products.

higher net contributions to EEC in the second quarter.

Area and commodity analysis

Interpretation of the movements in trade by area and commodity is particularly difficult, since it is not possible to allocate the estimated distortions to total trade to this degree of detail. Commentary on these figures is not therefore being included in this article, and the usual three months' comparisons have been omitted from the tables.

NOTES

Distortions to figures arising from irregular flow of information to Customs Statistical Office

Industrial action by HM Customs and by National Data Processing Service (NDPS) computer staff has affected the flow of information to the Customs Statistical Office from which the monthly trade figures are compiled. March, April and May have all been affected, and there will be some further effect on some subsequent months. The impact has been greater on imports than exports.

The import figures are based on information provided to the statistical office from the various ports, both sea and air; they relate closely to goods shipped during the calendar month. The information takes the form of statistical documents or computer input. The industrial action has led to delay in the transmission of some of this material including, in particular, computerised details of imports arriving at London airports. The delay has meant that the published statistics will include some carry over of trade from one month to the next. Some information relating to imports arriving in April and May has still not reached the statistical office because of the NDPS dispute. This information will appear in the figures for subsequent months, depending upon the timing of the end of the NDPS dispute.

For exports, the figures relate to information provided to the statistical office by exporters, agents etc. There is, on average, a delay of about two weeks between shipment and recording; thus, normally, the figures for a given month reflect, broadly, goods shipped over the previous mid-month period. There has been some carry over of trade from both April and May into June mainly reflecting delays in receipt of information from London airports.

It is extremely difficult to estimate the size of the distortion to the figures arising as a result of the delays. However, an analysis of the pattern of the flow of information has provided some very broad orders of magnitude of the likely total impact. The following table gives these estimates for the relevant months (there is no effect on the February figures) in terms of the amount to be added to (+) or subtracted from (−) the published balance of payments figures to allow, roughly, for such distortions. Some of the estimates have been revised since the article on the February/April figures. No estimates by commodity or area can realistically be attempted.

£ million

	Exports	Imports	Visible balance
March	—	+400	−400
April	+300	+250	+50
May	+50	+300	−250
Subsequent months	−350	−950	+600

Note: The margin of error in these figures is likely to be of the order of 10-15 per cent. Thus, 350 is the central point in a range estimated at 300-400.

Table 7 Value and volume of exports and imports excluding the more erratic items[1]

Balance of payments basis — Seasonally adjusted

	Exports fob		Imports fob	
	Value £ million	Volume index 1975 = 100	Value £ million	Volume index 1975 = 100
1977	29 554	117.9	31 239	107.4
1978	32 855	124.2	34 352	115.8
1977 1st quarter	6 964	115.4	7 930	110.5
2nd quarter	7 307	117.2	7 771	106.4
3rd quarter	7 769	122.5	7 952	108.9
4th quarter	7 514	116.7	7 586	103.7
1978 1st quarter	7 839	120.8	8 387	115.9
2nd quarter	7 947	121.7	8 315	111.8
3rd quarter	8 493	127.3	8 822	118.3
4th quarter	8 576	126.8	8 828	117.4
1979 1st quarter	7 709	110.8	9 040	117.3
1978 December	2 874	127.2	2 964	118.3
1979 January	2 598	114.1	2 731	109.8
February	2 324	100.2	3 175	122.3
March	2 787	118.0	3 134	119.9
April	3 115	132.3	3 522	135.0
May	3 375	141.2	3 459	132.2

[1] These are defined as ships, North Sea production installations, aircraft and precious stones.

Table 8 Exports by area

Overseas Trade Statistics basis — £ million fob seasonally adjusted

		Developed countries					Developing countries			
	Total	Total	EEC	Rest of W. Europe	North America	Other	Total	Oil-exporting countries	Other	Centrally planned economies
1977	33 331	23 688	12 152	5 606	3 821	2 110	8 636	4 374	4 261	911
1978	37 363	26 392	14 103	5 710	4 245	2 334	9 800	4 767	5 033	1 070
1978 1st quarter	8 881	6 210	3 290	1 363	1 012	545	2 382	1 180	1 202	286
2nd quarter	9 107	6 474	3 479	1 363	1 050	582	2 412	1 223	1 189	244
3rd quarter	9 545	6 719	3 612	1 440	1 080	587	2 502	1 200	1 302	235
4th quarter	9 830	6 990	3 722	1 544	1 104	619	2 505	1 165	1 340	305
1979 1st quarter	8 928	6 718	3 750	1 465	1 026	477	1 953	804	1 149	243
1979 March	3 199	2 409	1 268	528	399	214	681	260	421	99
April	3 417	2 557	1 388	497	433	239	765	290	475	102
May	3 569	2 687	1 504	478	456	249	820	331	489	115

Table 9 Exports by commodity

Overseas Trade Statistics basis — £ million fob seasonally adjusted

					Manufactures[2]									
						Machinery and transport equipment[2]								
	Total	Food, beverages and tobacco	Basic materials	Fuels	Total	Total	Machinery	Road vehicles	Other transport equipment[1, 2]	Chemicals	Metals	Textiles	Other manufactures	Miscellaneous
SITC (rev 2)	0-9	0 + 1	2 + 4	3	5-8	7	71-77	78	79	5	67-69	65	Rest of 6 + 8	9
1977	33 331	2 216	954	2 092	27 113	12 688	8 332	2 872	1 484	3 817	2 877	1 193	6 537	956
1978	37 363	2 912	1 008	2 375	29 984	13 762	9 223	3 070	1 470	4 201	3 114	1 238	7 669	1 083
1978 1st quarter	8 881	698	221	512	7 212	3 321	2 197	759	366	985	744	305	1 820	238
2nd quarter	9 107	726	252	585	7 307	3 439	2 262	796	381	1 030	749	296	1 817	268
3rd quarter	9 545	746	261	652	7 603	3 465	2 354	766	345	1 068	778	310	1 944	263
4th quarter	9 830	743	273	626	7 862	3 537	2 410	749	378	1 118	843	326	2 088	315
1979 1st quarter	8 928	624	251	773	7 030	3 097	2 048	658	391	976	714	287	1 948	252
1979 March	3 199	226	101	219	2 558	1 137	760	257	119	370	268	109	676	99
April	3 417	244	107	285	2 678	1 250	838	296	115	399	311	116	612	102
May	3 569	278	109	343	2 756	1 343	942	298	104	455	326	115	545	111

[1] Not seasonally adjusted. [2] Includes North Sea production installations.

The table shows that over the period January to May, as a result of the document distortion, there was an estimated shortfall in the published figures of £350 million on exports and £950 million on imports. These shortfalls will be included in subsequent months.

The road haulage dispute

The road haulage dispute began, unofficially, on 3 January; it was made official on 11 January. Its impact became progressively stronger through the month, although certain trade was largely unaffected, in particular trade by air (about 20 per cent of total exports and 18 per cent of total imports), oil shipments (6 per cent and 12 per cent) and foreign roll-on/roll-off trade (roughly 7 per cent of trade). Certain other goods would also have moved, for example, those destined for export which were already at the docks before the commencement of the dispute. Towards the end of the month the situation eased.

The dispute has markedly influenced the pattern of trade over the first five months of the year. However, because of differences between the ways in which imports and exports are recorded, the effects have not been uniform on both flows of trade. The *import* statistics relate closely to goods shipped during the month. Certain categories of goods were unaffected and the figures also included those goods unloaded from ships but which remained on the dockside. The shortfall in January resulting from the dispute was not therefore as great as might have been expected. On the basis of evidence relating to goods moving through the ports in January and February and the experience of previous disputes, it is expected that for imports the period January-May encompasses the whole of the impact of the dispute.

For *exports*, however, the effect of the dispute over the first five months of the year is likely to still be adverse. This reflects partly the method of recording, described in note 1, and partly the situation at the ports when the dispute ended which necessitated clearance of some of the backlog of imports before exports could begin to move. This led to reduced figures for January and February. A considerable recovery has since occurred and some further rebound may still be expected. It is not possible to quantify the size of the rebound; in particular there may be some loss of exports if overseas customers have turned to alternative sources of supply.

Standard notes

The standard notes on definitions and coverage of the figures were issued in *Trade and Industry* on 23 February. Copies of these notes can also be obtained from the Economics and Statistics Division 5A, Room 255, Departments of Industry and Trade, 1 Victoria Street, London SW1H 0ET, tel. 01-215 5703.

Table 10 **Exports by commodity: volume indices**

Overseas Trade Statistics basis

Indices 1975 = 100 seasonally adjusted

					Manufactures [1]							
						Machinery and transport equipment [1, 2]						
	Total	Food, beverages and tobacco	Basic materials	Fuels	Total	Total	Machinery	Road vehicles	Chemicals	Metals	Textiles	Other manufactures
SITC (rev 2)	0-9	0 + 1	2 + 4	3	5-8	7	71-77	78	5	67-69	65	Rest of 6 + 8
Weights	1 000	71	26	41	823	417	286	92	106	92	36	172
1977	118.7	111	126	165	118	106	102	105	141	116	120	134
1978	124.0	132	134	209	120	105	101	112	155	117	117	139
1978 1st quarter	121.2	136	120	179	119	103	99	106	145	115	119	140
2nd quarter	122.2	133	137	204	119	107	101	119	153	116	113	131
3rd quarter	126.0	130	138	229	121	105	102	115	157	115	116	140
4th quarter	126.8	130	142	224	122	104	102	108	163	121	120	144
1979 1st quarter	112.1	110	122	247	107	90	85	95	138	100	103	131
1979 March	119.1	118	144	194	116	99	94	109	151	111	117	137
April	128.4	127	151	255	123	109	105	125	165	126	127	129
May	133.2	144	146	293	126	116	116	127	181	135	124	118

[1] Includes North Sea production installations. [2] Indices for other transport equipment SITC (rev 2) 79 are not separately available.

Table 11 **Exports by commodity: unit value indices**

Overseas Trade Statistics basis

Indices 1975= 100 not seasonally adjusted

					Manufactures							
						Machinery and transport equipment [1]						
	Total	Food, beverages and tobacco	Basic materials	Fuels	Total	Total	Machinery	Road vehicles	Chemicals	Metals	Textiles	Other manufactures
SITC (rev 2)	0-9	0 + 1	2 + 4	3	5-8	7	71-77	78	5	67-69	65	Rest of 6 + 8
1977	142.6	137	144	150	143	149	148	152	128	136	139	142
1978	155.4	150	140	140	157	165	165	163	130	149	148	159
1978 1st quarter	149.7	143	135	141	151	160	159	158	128	143	145	149
2nd quarter	153.3	150	141	140	154	161	161	156	130	146	147	160
3rd quarter	157.4	154	142	138	159	167	167	165	131	151	148	161
4th quarter	161.3	153	142	139	163	173	171	174	131	155	151	168
1979 1st quarter	166.1	154	153	161	168	177	175	183	137	162	156	171
1979 March	168.0	155	157	184	169	178	174	187	139	162	156	171
April	169.1	157	160	203	169	178	174	190	142	165	154	169
May	169.4	156	167	187	170	179	174	191	145	164	158	170

[1] Indices for other transport equipment SITC (rev 2) 79 are not separately available.

Table 12 **Imports by area**

Overseas Trade Statistics basis

£ million cif seasonally adjusted

		Developed countries					Developing countries			
	Total	Total	EEC	Rest of W. Europe	North America	Other	Total	Oil-exporting countries	Other	Centrally planned economies
1977	36 978	27 393	14 171	5 576	4 948	2 698	8 162	3 800	4 362	1 371
1978	40 969	31 752	16 584	6 991	5 341	2 834	7 855	3 470	4 385	1 300
1978 1st quarter	9 846	7 423	3 880	1 513	1 303	729	1 960	911	1 049	319
2nd quarter	10 221	8 147	4 101	2 011	1 374	662	1 822	791	1 032	306
3rd quarter	10 475	8 001	4 183	1 747	1 305	765	2 128	957	1 171	314
4th quarter	10 427	8 180	4 422	1 720	1 360	679	1 944	811	1 133	361
1979 1st quarter	10 655	8 312	4 512	1 815	1 279	705	1 821	703	1 118	359
1979 March	3 685	2 918	1 628	586	429	275	557	177	380	131
April	3 963	3 174	1 897	603	466	208	651	225	426	162
May	3 935	3 161	1 871	532	507	251	724	265	459	113

Table 13 Imports by commodity

Overseas Trade Statistics basis

£ million cif seasonally adjusted

				Industrial materials				Finished manufactures [2]						
									Machinery and transport equipment [2]					
	Total	Food, beverages and tobacco	Fuels	Total	Basic materials	Chemicals	Other semi-manu-factures	Total	Total	Machinery	Road vehicles	Other transport equip-ment [1,2]	Other	Miscel-laneous
SITC (rev 2)	0-9	0 + 1	3	2,4,5,6	2 + 4	5	6	7 + 8	7	71-77	78	79	8	9
1977	36 978	5 937	5 255	13 484	3 670	2 361	7 453	11 797	8 783	5 295	2 134	1 355	3 015	505
1978	40 969	6 142	4 831	14 931	3 422	2 759	8 750	14 501	10 681	6 338	2 795	1 548	3 820	564
1978 1st quarter	9 846	1 515	1 249	3 560	852	638	2 070	3 275	2 426	1 451	670	305	850	122
2nd quarter	10 221	1 544	1 089	3 566	854	667	2 045	3 957	3 044	1 571	711	762	913	131
3rd quarter	10 475	1 582	1 246	3 870	846	682	2 342	3 549	2 554	1 601	727	226	995	177
4th quarter	10 427	1 501	1 247	3 935	870	771	2 294	3 720	2 657	1 714	688	255	1 063	134
1979 1st quarter	10 655	1 512	1 158	3 884	832	720	2 332	3 839	2 803	1 652	873	278	1 036	127
1979 March	3 685	506	361	1 316	281	266	770	1 364	997	569	307	121	367	51
April	3 963	629	467	1 415	356	299	760	1 441	1 090	581	418	91	350	47
May	3 935	574	441	1 435	364	334	737	1 492	1 120	589	353	177	372	51

[1] Not seasonally adjusted. [2] Includes North Sea production installations.

Table 14 Imports by commodity: volume indices

Overseas Trade Statistics basis

Indices 1975 = 100 seasonally adjusted

				Industrial materials				Finished manufactures [1]				
									Machinery and transport equipment [1,2]			
	Total	Food, beverages and tobacco	Fuels	Total	Basic materials	Chemicals	Other semi-manu-factures	Total	Total	Machinery	Road vehicles	Other
SITC (rev 2)	0-9	0 + 1	3	2,4,5,6	2 + 4	5	6	7 + 8	7	71-77	78	8
Weights	1 000	177	177	341	93	55	193	283	206	137	37	76
1977	108.9	102	83	116	113	131	113	124	127	117	160	117
1978	117.2	101	81	128	116	158	125	140	141	136	165	139
1978 1st quarter	115.8	101	84	126	116	145	125	132	132	128	173	130
2nd quarter	117.3	101	71	124	117	151	120	155	163	135	170	132
3rd quarter	118.7	104	82	131	113	155	132	136	133	137	168	143
4th quarter	117.0	99	84	132	117	180	125	139	136	144	151	149
1979 1st quarter	116.8	95	76	128	107	176	124	141	141	140	187	143
1979 March	119.5	95	67	129	105	189	124	150	150	145	196	150
April	129.8	119	84	141	136	193	129	160	165	153	273	147
May	129.3	110	74	143	137	217	124	171	175	156	241	161

[1] Includes North Sea production installations. [2] Indices for other transport equipment SITC (rev 2) 79 are not separately available.

Table 15 Imports by commodity: unit value indices

Overseas Trade Statistics basis

Indices 1975 = 100 not seasonally adjusted

				Industrial materials				Finished manufactures				
									Machinery and transport equipment [1]			
	Total	Food, beverages and tobacco	Fuels	Total	Basic materials	Chemicals	Other semi-manu-factures	Total	Total	Machinery	Road vehicles	Other
SITC (rev 2)	0-9	0 + 1	3	2,4,5,6	2 + 4	5	6	7 + 8	7	71-77	78	8
1977	141.1	132	148	141	145	137	140	143	144	144	155	141
1978	145.3	140	138	144	132	144	149	155	156	149	194	151
1978 1st quarter	140.4	137	137	137	130	140	140	148	150	145	177	142
2nd quarter	144.9	140	141	142	131	144	147	154	155	148	190	151
3rd quarter	146.8	141	139	145	134	144	151	157	158	150	198	154
4th quarter	149.0	142	137	150	134	147	158	160	161	151	209	157
1979 1st quarter	153.0	144	143	155	141	156	162	162	163	153	210	160
1979 March	155.1	145	151	157	143	156	163	162	163	152	211	162
April	154.3	144	154	157	144	155	163	158	158	147	205	159
May	155.7	145	163	158	146	155	165	155	155	145	198	154

[1] Indices for other transport equipment SITC (rev 2) 79 are not separately available.

Statistical News

This quarterly publication, prepared by the Central Statistical Office, is designed to keep the user of statistics in touch with all that is going on in the world of official statistics. Each issue contains notes on current developments as well as several articles treating selected topics in greater depth. A list of new surveys reported to the CSO's survey control unit is also included.

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Table 16 **Exports: value and volume indices excluding the more erratic items**

Overseas Trade Statistics basis — Seasonally adjusted

	Total [1]		Manufactures					
			Total [1]		Machinery and transport equipment [2]		Other manufactures [3]	
	Value £ million	Volume index 1975 = 100	Value £ million	Volume index 1975 = 100	Value £ million	Volume index 1975 = 100	Value £ million	Volume index 1975 = 100
Weights		919		744		379		131
1977	29 923	116.3	23 705	115	11 241	102	4 576	128
1978	33 460	123.1	26 082	118	12 371	104	5 158	133
1978 1st quarter	7 972	119.6	6 304	117	2 968	101	1 265	135
2nd quarter	8 095	120.8	6 296	116	3 072	106	1 173	122
3rd quarter	8 644	126.1	6 702	121	3 145	105	1 363	138
4th quarter	8 748	125.7	6 780	120	3 186	104	1 357	137
1979 1st quarter	7 855	109.8	5 956	103	2 730	88	1 241	121
1979 March	2 842	117.1	2 200	113	1 026	98	429	125
April	3 170	131.0	2 431	125	1 144	110	471	138
May	3 438	139.9	2 624	134	1 251	120	506	146

[1] Excluding ships, North Sea production installations, aircraft and precious stones. [2] Excluding ships, North Sea production installations and aircraft. [3] Excluding precious stones.

Table 17 **Imports: value and volume indices excluding the more erratic items**

Overseas Trade Statistics basis — Seasonally adjusted

	Total [1]		Industrial materials				Finished manufactures			
			Total [2]		Other semi-manufactures [3]		Total [2]		Machinery and transport equipment [2]	
	Value £ million	Volume index 1975 = 100	Value £ million	Volume index 1975 = 100	Value £ million	Volume index 1975 = 100	Value £ million	Volume index 1975 = 100	Value £ million	Volume index 1975 = 100
Weights		932		306		158		250		174
1977	33 851	107.4	11 693	114	5 662	109	10 461	123	7 446	126
1978	37 105	115.6	12 587	126	6 406	121	12 982	141	9 162	142
1978 1st quarter	9 019	115.1	3 030	123	1 540	120	2 979	135	2 129	138
2nd quarter	8 980	111.5	3 081	124	1 559	118	3 200	139	2 288	142
3rd quarter	9 576	118.6	3 191	127	1 663	125	3 329	144	2 334	144
4th quarter	9 531	117.3	3 285	130	1 644	121	3 474	147	2 411	146
1979 1st quarter	9 705	116.3	3 205	125	1 654	118	3 568	148	2 532	150
1979 March	3 365	118.8	1 117	128	570	120	1 245	154	877	156
April	3 783	133.7	1 325	150	670	144	1 350	169	1 000	179
May	3 727	131.4	1 403	156	705	147	1 316	169	943	173

[1] Excluding ships, North Sea production installations, aircraft and precious stones. [2] Excluding ships, North Sea production installations and aircraft. [3] Excluding precious stones.

Table 18 **Derivation of the visible trade figures on a balance of payments basis**

£ million

	Exports				Imports				
	Recorded	Seasonally adjusted			Recorded	Seasonally adjusted			
	Overseas Trade Statistics basis (fob)	Overseas Trade Statistics basis (fob)	Valuation and coverage adjustments	Balance of payments basis (fob)	Overseas Trade Statistics basis (cif)	Overseas Trade Statistics basis (cif)	Adjustments to BOP basis: Valuation adjustments	Adjustments to BOP basis: Coverage adjustments	Balance of payments basis (fob)
1977	33 331	33 331	−1 183	32 148	36 978	36 978	−2 089	−997	33 892
1978	37 363	37 363	−1 931	35 432	40 969	40 969	−2 202	−2 160	36 607
1977 1st quarter	7 815	7 755	−235	7 520	9 212	9 144	−556	−122	8 466
2nd quarter	8 469	8 288	−367	7 921	9 762	9 609	−573	−336	8 700
3rd quarter	8 492	8 803	−272	8 531	8 960	9 243	−507	−202	8 534
4th quarter	8 555	8 485	−309	8 176	9 044	8 982	−453	−337	8 192
1978 1st quarter	8 756	8 881	−473	8 408	9 791	9 846	−523	−319	9 004
2nd quarter	9 626	9 107	−354	8 753	10 616	10 221	−543	−752	8 926
3rd quarter	9 051	9 545	−494	9 051	9 995	10 475	−582	−475	9 418
4th quarter	9 930	9 830	−610	9 220	10 567	10 427	−554	−601	9 259
1979 1st quarter	9 072	8 928	−538	8 390	10 837	10 655	−558	−526	9 571
1978 December	3 029	3 299	−172	3 127	3 130	3 441	−180	−175	3 086
1979 January	3 059	3 011	−201	2 810	3 424	3 290	−171	−183	2 936
February	2 536	2 718	−153	2 565	3 451	3 680	−193	−156	3 331
March	3 477	3 199	−184	3 015	3 962	3 685	−194	−187	3 304
April	3 321	3 417	−142	3 275	3 788	3 963	−222	−139	3 602
May	3 749	3 569	−132	3 437	4 105	3 935	−220	−93	3 622

Price Index Numbers for Current Cost Accounting

Price Index Numbers for Current Cost Accounting, prepared by the Central Statistical Office, is a booklet of price indices for companies and others who wish to prepare accounts or supplementary statements on the current cost basis. It is specified as a source of indices for the United Kingdom in the interim recommendation issued in November 1977 by the Accounting Standards Committee.

It presents all the available industry and asset-specific price indices likely to be useful for revaluing fixed assets, and includes the index of the cost of new construction and the general index of retail prices. From HMSO, PO Box 569, London SE1 9NH. Dec. 0 11 630758 7. £3.50 (£3.72 by post)

Import penetration: UK manufacturers' overseas trade performance in 1978

In 1978 import penetration of manufactured goods reached 25 per cent, the same figure as the proportion of British manufacturers' sales going to export. These movements reflected the narrowing to about £1 billion of the crude balance by which the value of UK exports of manufactured goods exceeds that of imports. To some extent this deterioration may be accounted for by last year's 5½ per cent increase in real consumers' expenditure, which concentrated especially on durable goods, which the UK has a particularly strong propensity to import, the rise here being 18 per cent. In addition a small fall in the relative competitiveness of British products on both home and overseas markets may have contributed to the increase in import penetration though there was no fall in the proportion of UK manufacturers' output sold abroad.

Sectoral analysis

Only one broad sector of manufacturing achieved a significant improvement in export performance last year: food and drink, where the percentage point increase to 7 per cent continued the steady growth in the proportion of sales going to export which has been appar-

Import penetration and export sales ratios to December

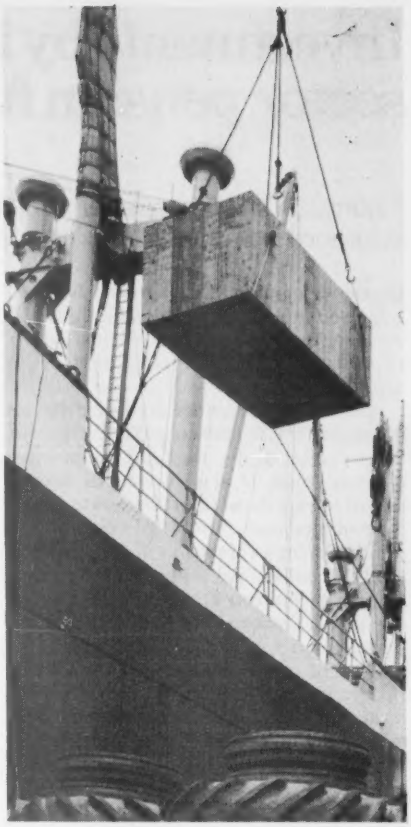
per cent

SIC reference	Product group	Ratio 1 Imports/home demand — 12 months ended Dec 76	Mar 77	Jun 77	Sep 77	Dec 77	Mar 78	Jun 78	Sep 78	Dec 78	Ratio 2 Imports/home demand plus exports — 12 months ended Dec 76	Mar 77	Jun 77	Sep 77	Dec 77	Mar 78	Jun 78	Sep 78	Dec 78
Order III (excluding MLH's 239 and 240)	**Food and drink**	**19**	**19**	**19**	**20**	**19**	**19**	**18**	**17**	**17**	**18**	**18**	**18**	**19**	**18**	**18**	**17**	**17**	**16**
Order IV	**Coal and petroleum products**	**15**	**14**	**14**	**13**	**14**	**15**	**15**	**15**	**15**	**13**	**13**	**12**	**12**	**13**	**13**	**13**	**13**	**13**
Order V	**Chemicals and allied industries**	**25**	**26**	**27**	**27**	**27**	**28**	**28**	**28**	**29**	**18**	**19**	**19**	**19**	**19**	**19**	**20**	**20**	**21**
MLH 271.2	Organic chemicals	33	34	34	35	36	37	39	39	41	23	24	24	25	25	26	26	26	27
MLH 272	Pharmaceuticals	19	19	20	20	19	18	18	18	19	13	13	13	13	13	12	12	12	13
MLH 276	Synthetic resins and plastics materials	34	34	34	35	35	36	37	38	38	25	25	25	26	26	26	27	28	28
Order VI	**Metal manufacture**	**24**	**23**	**24**	**24**	**23**	**23**	**23**	**23**	**23**	**20**	**20**	**20**	**20**	**20**	**20**	**19**	**19**	**19**
MLH 311 and 312	Iron and steel and steel tubes	19	18	18	18	17	18	17	18	17	16	16	15	15	14	15	15	15	15
MLH 313	Iron castings	5	5	5	4	4	4	3	3	3	4	5	4	4	4	3	3	3	2
MLH 321 to 323	Non-ferrous metals	37	38	38	39	39	38	38	37	37	31	31	31	32	32	31	31	31	31
Order VII (excluding MLH 342)	**Mechanical engineering**	**29**	**30**	**30**	**29**	**29**	**29**	**30**	**31**	**31**	**19**	**19**	**19**	**19**	**19**	**19**	**19**	**20**	**20**
MLH 332	Machine tools	45	46	46	44	44	43	44	44	46	29	30	30	28	28	28	29	29	31
MLH 333	Pumps, valves and compressors	30	30	30	30	30	29	28	28	28	19	19	19	19	19	19	18	18	18
MLH 334	Industrial engines	21	23	22	22	22	21	22	22	23	12	13	13	13	13	12	13	13	13
MLH 335	Textile machinery	73	66	63	61	56	55	55	56	59	26	26	26	27	27	27	27	28	28
MLH 336	Construction equipment	58	58	60	62	64	70	74	81	83	23	24	23	23	22	21	23	24	26
MLH 337	Mechanical handling equipment	23	23	23	22	24	24	24	24	24	15	16	15	15	16	16	17	17	17
MLH 338	Office machinery	84	85	85	87	91	98	107	107	109	48	49	48	47	46	48	49	51	53
MLH 339	Other machinery	33	33	33	34	33	33	34	34	36	21	21	22	22	22	22	23	23	24
MLH 341	Industrial plant and steelwork	10	9	8	8	9	10	10	11	10	7	7	6	6	6	7	7	7	7
Order VIII	**Instrument engineering**	**54**	**55**	**55**	**54**	**54**	**53**	**54**	**55**	**56**	**34**	**35**	**35**	**35**	**34**	**34**	**34**	**35**	**36**
MLH 354	Scientific and industrial instruments	42	42	41	40	39	38	40	40	42	27	27	27	26	26	26	26	27	28
Order IX	**Electrical engineering**	**32**	**34**	**34**	**35**	**35**	**35**	**35**	**35**	**37**	**23**	**24**	**25**	**25**	**25**	**25**	**25**	**25**	**26**
MLH 361	Electrical machinery	20	21	20	21	21	22	24	25	28	13	13	13	13	13	13	14	15	16
MLH 363	Telegraph and telephone apparatus	14	12	10	10	10	11	11	11	10	11	9	8	8	8	9	9	9	8
MLH 364	Electronic components	50	51	53	53	52	52	51	52	54	34	35	36	36	35	35	35	35	36
MLH 365.2	Other broadcast receiving and sound reproducing equipment (see note 2)	41	43	45	48	48	46	43	43	42	35	37	39	41	41	40	37	37	37
MLH 366	Electronic computors	78	82	82	83	82	80	82	84	87	49	52	52	52	51	51	52	52	52
MLH 367	Electronic capital goods	23	23	24	23	23	23	24	24	24	15	15	15	15	15	15	15	16	17
MLH 368	Domestic electrical appliances	27	28	30	30	30	30	29	29	30	22	23	24	25	24	24	23	23	24
Order X	**Shipbuilding and marine engineering (see note 3)**	**39**	**42**	**41**	**42**	**48**	**47**	**50**	**50**	**43**	**30**	**33**	**31**	**32**	**37**	**37**	**38**	**38**	**33**
Order XI	**Vehicles**	**32**	**34**	**35**	**37**	**37**	**38**	**41**	**39**	..	**20**	**22**	**23**	**24**	**24**	**25**	**25**	**25**	..
Order XII (excluding MLH 396)	**Metal goods not elsewhere specified**	**11**	**11**	**12**	**12**	**12**	**12**	**12**	**12**	**13**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**11**
MLH 390	Engineers small tools and gauges	17	17	18	18	17	17	17	17	18	14	14	14	14	14	14	14	14	15
Order XIII (excluding MLH 423)	**Textiles**	**26**	**27**	**28**	**28**	**28**	**29**	**29**	**30**	**31**	**21**	**21**	**21**	**22**	**22**	**22**	**23**	**23**	**25**
MLH 411	Man-made fibres	30	32	34	36	38	39	39	39	41	22	22	23	23	24	25	25	26	26
MLH 414	Woollen and worsted	18	18	18	18	18	18	19	20	21	13	13	13	13	12	13	13	14	15
MLH 417	Hosiery and other knitted goods	21	22	22	22	22	21	21	22	22	18	18	19	18	18	18	18	18	19
Order XIV (excluding MLH 433)	**Leather and leather goods**	**30**	**31**	**32**	**32**	**31**	**32**	**31**	**32**	**34**	**24**	**25**	**25**	**26**	**25**	**25**	**25**	**26**	**27**
Order XV MLH 441 to 445 and 449	**Clothing and footwear** Clothing other than headgear	**26** 25	**26** 25	**26** 25	**26** 25	**25** 24	**25** 24	**25** 24	**26** 25	**27** 26	**23** 22	**23** 22	**23** 21	**22** 21	**22** 20	**21** 20	**21** 20	**22** 21	**23** 22
MLH 450	Footwear	28	29	30	30	30	29	28	29	30	25	26	27	27	26	25	25	25	27
Order XVI	**Bricks, pottery, glass cement, etc**	**8**	**8**	**8**	**9**	**9**	**9**	**9**	**9**	**9**	**7**	**7**	**7**	**8**	**7**	**8**	**8**	**8**	**8**
Order XVII (excluding MLH 474)	**Timber, furniture, etc**	**28**	**28**	**28**	**28**	**27**	**27**	**27**	**26**	**27**	**26**	**27**	**27**	**26**	**25**	**25**	**25**	**25**	**25**
Order XVIII	**Paper, printing and publishing**	**22**	**23**	**23**	**22**	**22**	**21**	**21**	**20**	**20**	**21**	**21**	**21**	**20**	**20**	**19**	**19**	**18**	**19**
MLH 481 b, c & d	Paper and board (see note 4)	44	44	44	44	44	45	45	45	46	40	40	40	40	41	41	41	41	41
Order XIX	**Other manufacturing industries**	**15**	**16**	**16**	**17**	**17**	**17**	**17**	**18**	**18**	**12**	**13**	**13**	**14**	**14**	**14**	**14**	**15**	**15**
MLH 491	Rubber	15	15	16	17	17	18	17	17	17	11	11	13	13	13	14	14	14	13
MLH 496	Plastics products nes	9	9	10	10	10	10	10	10	11	8	9	9	9	9	9	9	10	10
Orders III to XIX (excluding industries listed in note 5)	**Total manufacturing**	**23**	**24**	**24**	**24**	**24**	**24**	**25**	**25**	**25**	**19**	**19**	**19**	**19**	**19**	**19**	**20**	**20**	**20**

ent since 1970. This sector is, moreover, one of the few where import penetration declined in 1978, resuming the downward trend temporarily interrupted in 1977. Growth in import penetration in coal and petroleum products (which does not include extraction of mineral oil) was small, while there was little change on the export side of the balance.

The overall picture of no change in export sales ratio and a slow rise in import penetration was widespread among many broad sectors of industry. Generally the chemicals and allied industries followed this pattern, though in two of the constituent industries – soap and dyestuffs – the proportion of sales going to export fell while in contrast the organic chemicals industry continued to increase its export share.

No significant change in the trading performance of the metal manufacturing sector is apparent, but the picture in the engineering and allied industries is much in line with the total. Steep rises in import penetration have occurred in construction equipment (Ratio 1 rose 19 percentage points in the year), office machinery (18 points), electrical machinery (7 points) and wheeled tractors (26 points), while export performance has declined for mechanical handling equipment (a 6 point fall in Ratio 3), telecommunications equipment (7 points),



broadcast receiving equipment (4 points) and electronic capital goods (6 points). On the brighter side, the export sales ratio has risen somewhat for industrial engines (4 points), office machinery (18 points), electrical machinery (7 points), electronic computers (7 points) and wheeled tractors (14 points).

The long-term rise in import penetration of textiles and leather goods has continued, being particularly pronounced for weaving of cotton and man-made fibres, where ratio 1 rose 7 percentage points in 1978. The sector's export performance has generally been maintained, though carpets disappointingly showed a 5 percentage points fall in export ratio. In the clothing industry the reduction in penetration which occurred early in 1978 was short-lived, whilst in footwear there was a 2 point decline in the export sales ratio. For the remainder of manufacturing no significant change in trade performance was evident on either side of the account.

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per cent

Ratio 3 Exports/manufacturers' sales									**Ratio 4** Exports/manufacturers' sales plus imports								
12 months ended									12 months ended								
Dec 76	Mar 77	Jun 77	Sep 77	Dec 77	Mar 78	Jun 78	Sep 78	Dec 78	Dec 76	Mar 77	Jun 77	Sep 77	Dec 77	Mar 78	Jun 78	Sep 78	Dec 78
6	6	6	6	6	6	7	7	7	5	5	5	5	5	5	5	6	6
14	**15**	**14**	**14**	**14**	**13**	**13**	**13**	**14**	**12**	**13**	**13**	**12**	**12**	**11**	**11**	**12**	**12**
34	**34**	**35**	**36**	**37**	**37**	**38**	**37**	**38**	**28**	**28**	**28**	**29**	**30**	**30**	**30**	**30**	**30**
37	38	37	39	40	41	43	44	45	29	29	28	29	30	31	32	32	33
37	37	37	38	37	38	39	39	39	33	32	32	33	33	33	34	34	34
35	35	36	37	37	37	37	37	37	27	26	27	27	27	27	27	27	27
18	**18**	**19**	**19**	**20**	**19**	**19**	**19**	**20**	**14**	**15**	**15**	**16**	**16**	**16**	**15**	**15**	**16**
17	17	18	18	18	18	18	18	19	14	15	15	15	16	15	15	15	16
6	6	6	6	7	6	5	5	5	6	6	6	6	6	6	5	5	5
23	25	25	27	27	27	27	26	26	16	17	17	18	18	18	18	18	18
45	**45**	**45**	**44**	**45**	**45**	**45**	**45**	**45**	**36**	**36**	**36**	**36**	**36**	**36**	**36**	**36**	**36**
50	50	50	50	50	49	49	48	48	35	35	35	36	36	35	35	34	33
46	46	46	46	45	44	44	43	44	37	37	37	37	36	36	36	36	36
48	49	47	47	47	46	48	49	51	42	42	41	41	41	41	42	43	44
87	82	79	75	71	70	70	70	70	64	61	58	55	52	51	50	50	50
78	77	80	82	84	88	90	93	93	61	59	61	63	66	69	70	71	69
38	39	39	38	40	39	38	36	34	33	33	33	33	33	33	32	30	28
82	83	84	87	91	98	106	107	109	42	43	44	46	49	51	54	52	51
46	45	45	44	43	43	43	43	44	36	36	35	34	34	34	33	33	34
28	28	29	30	31	32	32	33	33	26	26	28	28	29	30	30	31	31
56	**56**	**56**	**55**	**56**	**55**	**55**	**55**	**57**	**37**	**37**	**36**	**36**	**37**	**36**	**36**	**36**	**36**
48	47	46	45	45	44	45	45	46	35	34	34	33	33	33	33	33	33
37	**38**	**38**	**39**	**40**	**40**	**40**	**39**	**40**	**28**	**29**	**28**	**29**	**30**	**30**	**30**	**30**	**29**
41	41	40	42	43	44	48	48	50	36	35	34	36	37	38	41	41	42
22	22	20	22	24	23	22	20	17	20	20	18	20	22	21	20	18	15
49	50	50	51	50	50	50	51	52	32	32	32	33	33	33	33	33	33
22	22	22	23	24	24	23	22	20	15	14	13	14	14	15	15	14	13
72	76	76	77	77	74	76	79	84	36	37	36	37	38	36	36	38	40
41	43	44	43	44	43	41	39	38	35	36	37	37	37	37	35	33	32
23	23	24	25	26	25	25	24	24	18	18	18	19	20	19	19	18	18
34	**32**	**34**	**34**	**36**	**36**	**37**	**38**	**36**	**24**	**21**	**23**	**23**	**23**	**23**	**23**	**24**	**25**
46	**45**	**46**	**46**	**47**	**47**	**46**	**46**	..	**36**	**35**	**35**	**35**	**35**	**35**	**35**	**34**	
16	16	17	17	17	17	17	17	17	15	15	15	15	15	15	15	15	15
21	22	22	23	23	23	22	22	21	18	19	19	20	20	20	19	19	18
26	**28**	**28**	**29**	**29**	**29**	**29**	**29**	**29**	**21**	**22**	**22**	**23**	**23**	**23**	**22**	**22**	**22**
36	40	43	46	48	47	46	46	48	28	31	34	35	37	35	35	34	36
33	34	34	34	33	33	33	33	33	29	29	29	30	29	29	28	28	28
18	19	19	20	21	21	21	20	20	15	16	16	17	17	17	17	17	16
27	**27**	**27**	**27**	**27**	**27**	**27**	**27**	**26**	**21**	**21**	**20**	**20**	**20**	**20**	**20**	**20**	**19**
15	**16**	**17**	**18**	**18**	**19**	**19**	**18**	**18**	**12**	**12**	**13**	**14**	**14**	**15**	**15**	**14**	**14**
15	16	17	18	19	19	19	19	19	12	13	14	14	15	15	15	15	15
14	15	15	16	17	17	17	16	15	10	11	11	12	13	13	13	12	11
13	**14**	**15**	**15**	**15**	**15**	**15**	**15**	**15**	**13**	**13**	**14**	**14**	**14**	**14**	**14**	**14**	**14**
6	**7**	**7**	**8**	**8**	**8**	**8**	**8**	**8**	**5**	**5**	**5**	**6**	**6**	**6**	**6**	**6**	**6**
10	**10**	**11**	**11**	**11**	**11**	**11**	**11**	**11**	**8**	**8**	**8**	**9**	**9**	**9**	**9**	**9**	**9**
14	15	15	15	15	15	15	15	16	9	9	9	9	9	9	9	9	9
20	**20**	**20**	**20**	**20**	**20**	**20**	**20**	**20**	**18**	**17**	**18**	**18**	**17**	**17**	**17**	**17**	**17**
28	27	27	27	26	25	25	25	25	25	24	24	24	22	22	22	21	22
8	8	8	8	8	9	9	9	9	7	7	7	7	8	8	8	8	8
24	**24**	**24**	**25**	**25**	**25**	**25**	**25**	**25**	**19**	**19**	**20**	**20**	**20**	**20**	**20**	**20**	**20**

Notes

[1] The minimum list headings for which ratios are shown in the table are a selection approximating to the industries for which the sector working parties of the National Economic Development Office are responsible. Ratios for over a hundred minimum list headings of manufacturing industry are published in Business Monitor MQ12 'Import penetration and export sales ratios for manufacturing industry'. The December 1978 edition will shortly be available from HMSO, PO Box 569, London SE1 9NH.

[2] Excluding gramophone records and tape recordings.

[3] Excluding floating and submersible platforms.

[4] Excluding pulp, waste paper and waste paper board.

[5] The calculation of the ratios is inappropriate for some industries. In such cases and where suitable data are not available, the industry has been omitted. The industries concerned (which are thus excluded from the all manufacturing total) are: MLH 239 Other drink industries, 240 Tobacco, 342 Ordnance and small arms, 370a Floating of submersible platforms, 396 Jewellery and precious metals, 423 Textile finishing, 433 Fur and 474 Shop and office fitting.

Investments by insurance companies and private sector pension funds: first quarter

Figures for the first quarter 1979 transactions in financial assets by insurance companies and private sector pension funds.

Insurance companies: long-term funds

Net investment by long-term insurance funds amounted to £1,067 million in the first quarter of 1979, about the same as in the previous quarter.

Public sector securities accounted for net investment of £597 million in the first quarter, 56 per cent of the total. As in previous quarters, most of this investment activity related to long-dated (over 15 years to maturity and undated) British government securities. Purchases of such securities amounted to £1,815 million and sales to £1,266 million, giving a net investment of £549 million during the quarter, compared to £248 million in the fourth quarter of 1978. There was a net investment of £53 million in medium-dated (five to 15 years to maturity) British government securities and a net disinvestment of £7 million in short-dated (up to five years to maturity) securities of this type during the first quarter.

Net investment in company securities, at £170 million, was lower than in the fourth quarter, despite increased purchases and sales of such securities during the first quarter. Ordinary shares and authorised unit trust units together accounted for net investment of £208 million in the first quarter. There was a net disinvestment of £35 million in debentures during the quarter. This continued the pattern of disinvestment recorded during preceding quarters. There was also a net disinvestment of £3 million in preference shares in the first quarter.

As in previous quarters, the major component of activity in other investment areas was the net acquisition of £59 million of land and property. This figure comprises purchases of £115 million and sales of £56 million. Net investment in loans and mortgages amounted to £65 million during the quarter, about the same as in the fourth quarter of 1978. Within this total, there was net investment in mortgages and loans of all types and, in particular, of UK house purchase loans which accounted for £45 million of the net investment in this category. During the quarter there was net disinvestment of £19 million in overseas government securities. This contrasts with net investment in such securities throughout 1978.

There was an increase of £251 million in the level of cash and other short-term assets held at the end, compared to the beginning, of the first quarter. There was also an increase of £60 million in the levels of borrowing during the quarter, mostly due to increases in amounts owed to stockbrokers. Separate figures of borrowing were collected for the first time in the latest quarterly inquiry and it is therefore not possible to make comparisons with earlier periods. During the first quarter of 1979 there was an increase of £59 million in the amount of sterling certificates of deposit held. This contrasts with a decrease of £20 million in such holdings during the fourth quarter of 1978, but repeats the pattern of investment in the first quarter of 1978. The other major component of net investment in short-term assets during the first quarter of 1979 was the increase of £128 million in holdings of UK local authority bills and temporary money.

Insurance companies: general funds

The general funds of insurance companies recorded total net investment of £112 million in the first quarter of 1979, a decrease compared to the fourth quarter of 1978. This continues the pattern of the previous two years when relatively low levels of net investment were recorded in the first quarter.

Net investment in public sector securities totalled £5 million during the first quarter. Within this total, there was net disinvestment of £73 million in short-dated British government securities, continuing the pattern of net selling recorded in the fourth quarter of 1978. There was net investment, amounting to £98 million, in medium and long-dated British government securities and net disinvestment of £20 million in UK local authority securities.

Company securities accounted for net investment of £32 million during the quarter. The main components of this total were net investments of £9 million in UK companies' listed ordinary shares; £8 million in overseas companies' ordinary shares and £13 million in overseas' companies debentures.

Purchases and sales of overseas government securities amounted to £40 million and £24 million during the first quarter of 1979. Together with purchases and sales of land and buildings, amounting to £22 million and £18 million, such securities accounted for most of the activity in investment areas other than public sector and company securities during the quarter.

The amount of cash and other short-term assets held at the end of the first quarter amounted to £1,155 million, an increase of £38 million during the quarter. There was also a decrease of £8 million in borrowings, mostly in the form of a reduction in amounts due to stockbrokers. The main changes in cash and short-term asset holdings during the first quarter were a decrease of £19 million in cash in hand and with UK banks, and an increase of £34 million in holdings of UK local authority bills and temporary money.

More detail of the transactions of insurance companies' long-term and general funds will be published in Business Monitor MQ 5 for the first quarter of 1979.

Private sector pension funds

Activity by private sector pension funds

Table 1 Investments of insurance companies: long-term funds

£ million

	Public sector securities [1]			Company securities [2]			Other investments [3]			Cash and short-term assets [4]		Total net investment [4]
	Purchases	Sales	Net investment	Purchases	Sales	Net investment	Purchases	Sales	Net investment	Closing balance	Net investment	
1974	3 689	3 537	152	996	904	92	998	366	632	1 201	522	1 397
1975	4 880	3 677	1 203	1 337	1 004	333	966	518	448	950	−250	1 733
1976	6 200	4 649	1 551	1 230	1 030	200	1 005	651	354	930	−21	2 084
1977	8 795	6 851	1 944	1 595	1 157	438	923	587	336	1 075	145	2 863
1978	9 765	7 302	2 463	1 763	1 038	725	1 209	586	623	1 318	243	4 054
1977												
2nd qtr	1 579	1 170	408	367	259	108	200	136	65	938	10	529
3rd	2 298	1 815	483	396	296	101	271	157	113	1 038	100	797
4th	2 398	1 872	525	511	302	209	243	161	82	1 075	37	854
1978												
1st qtr	2 624	1 946	678	411	209	202	271	166	104	1 100	25	1 009
2nd	2 633	1 817	816	476	293	183	247	125	122	1 054	−45	1 076
3rd	2 285	1 688	597	435	314	121	294	131	163	1 100	46	927
4th	2 223	1 851	372	441	222	219	397	164	233	1 318	218	1 042
1979												
1st qtr	2 830	2 233	597	507	337	170	309	201	109	1 189	191	1 067

[1] British government and local authority securities. [2] Including authorised unit trust units. [3] Mortgages and loans, property, overseas government securities and other financial assets. [4] From first quarter 1979, figures are net of borrowing.

Figures given in this table have been rounded and totals do not always exactly equal the sums of their components.

Table 2 Investments of insurance companies: general funds

£ million

	Public sector securities [1]			Company securities [2]			Other investments [3]			Cash and short-term assets [4]		Total net investment [4]
	Purchases	Sales	Net investment	Purchases	Sales	Net investment	Purchases	Sales	Net investment	Closing balance	Net investment	
1974	432	415	16	245	239	7	122	128	−6	818	347	364
1975	1 414	966	448	426	255	171	154	83	71	817	−1	689
1976	1 670	1 356	314	507	391	116	179	79	100	993	175	705
1977	3 123	2 682	441	586	384	202	223	97	126	989	−4	766
1978	2 569	2 316	253	588	503	85	317	148	169	1 106	116	623
1977												
2nd qtr	457	401	56	165	74	92	65	24	41	924	21	210
3rd	796	689	107	136	98	38	59	23	36	939	15	195
4th	966	805	161	171	123	48	53	27	25	989	−51	285
1978												
1st qtr	622	640	−18	120	122	−2	75	26	49	981	−8	22
2nd	606	496	110	134	77	57	72	36	36	960	−21	182
3rd	462	379	83	170	132	38	84	35	49	1 068	107	277
4th	879	801	78	164	172	−8	86	51	35	1 106	37	142
1979												
1st qtr	841	836	5	149	117	32	78	49	29	899	46	112

[1] British government and local authority securities. [2] Including authorised unit trust units. [3] Mortgages and loans, property, overseas government securities and other financial assets. [4] From first quarter 1979, figures are net of borrowing.
Figures given in this table have been rounded and totals do not always exactly equal the sums of their components.

Table 3 Investments of private sector pension funds

£ million

	Public sector securities [1]			Company securities [2]			Other investments [3]			Cash and short-term assets (net) [4]		Total net investment
	Purchases	Sales	Net investment	Purchases	Sales	Net investment	Purchases	Sales	Net investment	Closing balance	Net investment	
1974	1 047	947	100	695	625	70	204	86	118	809	449	737
1975	2 714	2 265	449	1 601	950	657	287	67	220	481	−328	993
1976	3 175	2 565	610	1 451	1 055	396	318	89	229	476	−4	1 232
1977	4 290	3 702	588	1 639	1 139	500	410	61	349	483	17	1 454
1978	2 653	1 930	723	1 550	988	562	375	73	302	631	81	1 668
1977												
2nd qtr	720	700	20	399	232	168	64	14	50	522	64	301
3rd	1 150	1 020	129	430	278	153	183	11	172	461	−57	396
4th	1 055	890	165	427	338	89	94	24	70	483	14	338
1978												
1st qtr	743	615	128	333	248	84	71	11	60	595	109	381
2nd	769	512	257	393	266	127	89	29	60	522	−74	370
3rd	528	345	183	448	268	179	73	13	60	537	−1	421
4th	613	458	155	377	205	172	142	20	122	631	48	496
1979												
1st qtr	1 015	829	185	496	325	171	95	28	67	712	68	491

[1] British government and local authority securities. [2] Including authorised unit trust units. Convertible debentures are excluded in 1977 only. [3] Mortgages and loans, property, overseas government securities and other financial assets. [4] Due to differences of coverage between successive periods net investment does not always equal difference between closing balances.
Figures given in this table have been rounded and totals do not always exactly equal the sums of their components.

resulted in total net investment of £491 million in the first quarter of 1979, about the same as in the previous quarter. Within this total, net investment in public sector securities amounted to £185 million, and in company securities to £171 million. Net investment in other financial assets totalled £67 million and there was an increase of £68 million in holdings of cash and other short-term assets (net of all borrowing).

Most of the £185 million net investment in public sector securities during the first quarter was accounted for by long-dated British government securities. Purchases and sales of such securities amounted to £579 million and £316 million, giving a net investment of £263 million. There were net disinvestments of £27 million and £50 million in short and medium-dated British government securities during the quarter. The net disinvestment in medium-dated securities contrasts with net investment in each of the preceding two quarters.

The main component of the £171 million net investment in company securities was the net investment of £146 million in UK companies' listed ordinary shares.

As in previous quarters, the main area of other investment activity was the net acquisition of £54 million of land and property. Property unit trust units accounted for a further £8 million out of the total of £67 million net investment in assets other than public sector or company securities during the quarter.

The total amount of cash and other short-term assets held at the end of the first quarter amounted to £834 million, £87 million more than at the beginning of the quarter. This was offset by an increase of £17 million in amounts owed to stockbrokers and an increase of £2 million in borrowing. As with the long-term funds of insurance companies, the main elements of the increase in cash and other short-term assets during the quarter were increases of £41 million in cash in hand and with UK banks, £33 million in UK local authority bills and temporary money and £10 million in short-term assets with UK financial institutions.

Public sector pension fund

Statistics of investments by local authority and other public sector pension funds are collected and compiled by the Central Statistical Office.

In order to obtain a full picture of the pension fund sector these should be added to those given above for private pension funds. The figures for public sector funds for the first quarter of 1979 will be published in table 8.15 of the July issue of *Financial Statistics*.

More details of all types of pension funds, will be published in Business Monitor MQ 5 for the first quarter 1979.

Inquiries: Department of Trade, Economics and Statistics Division 6A, Room 349, Sanctuary Buildings, 20 Great Smith Street, London SW1P 3DB, tel. 01-215 3162.

Private enterprise housebuilding: March inquiry

Returns made by builders in March suggest that they were then expecting to start about 160 000 private sector houses and flats in Great Britain during 1979. The estimate, derived from the latest of the periodic sample inquiries of firms which build houses for sale, are published by the Department of the Environment.

The corresponding estimate for 1979 from an inquiry in November was also 160 000 starts.

It is estimated that speculative builders owned land with planning permission for about 270 000 dwellings at the end of February, just over two-and-a-half times the dwellings which these firms expect to start during 1979 for speculative sale on their own account.

Builders and property developers are estimated to have had about 11 000 unsold completed, or virtually completed, dwellings at the end of February compared with 10 000 at the end of October and 22 000 a year ago.

Inquiries: Department of the Environment, tel. 01-212 3490/7071.

Motor vehicle production in May

Cars

May production of 105 453 units was 13 per cent below that in May 1978.

Recorded production in the first five months of 1979 was 12 per cent below that in the corresponding period of last year. Production for export fell by 22 per cent while that for the home market fell by 5 per cent.

Seasonally adjusted production of 90 000 units was 11 per cent below the monthly average during 1978.

Commercial vehicles

May production of 37 797 units was virtually the same as that in May 1978.

In the five months to May 1979, recorded commercial vehicle production was 11 per cent above that in the same period of last year. Production for export was virtually the same while that for the home market rose by 20 per cent.

Seasonally adjusted production of 34 700 units was 8 per cent above the 1978 average.

Inquiries: Department of Industry, Room 911, Millbank Tower, Millbank, SW1P 4QU, tel. 01-211 7272.

Conceived, designed and built in only three months, the Hustler – built by JSP Engineering and based on the Mini – can either be used as a rugged cross-country, load-carrying vehicle or as an easily manoeuvrable passenger-carrying town car. Hustler features an all-welded box-section steel frame with integral roll-over cage, to which replaceable glass fibre body panels can be attached. The top section of the car is finished in toughened bronze glass to give all-round visibility.

Table 1 Car and commercial vehicle production

Production figures of road motor vehicles cover complete vehicles, chassis with engines for delivery as such and unassembled vehicles for export. Road tractors are included but battery-operated road vehicles are excluded.

	No of weeks	Passenger cars (including taxis)				Commercial road vehicles			
		For home market	For export	Totals	Weekly average	For home market	For export	Totals	Weekly average
1969	53	892 758	824 315	1 717 073	32 398	272 998	192 778	465 776	8 788
1970	52	918 109	722 857	1 640 966	31 557	267 407	190 125	457 532	8 799
1971	52	1 027 462	714 478	1 741 940	33 499	268 278	187 928	456 206	8 773
1972	52	1 307 881	613 430	1 921 311	36 948	272 649	135 470	408 119	7 848
1973	52	1 142 216	605 105	1 747 321	33 602	257 574	159 049	416 623	8 012
1974	52	937 932	596 187	1 534 119	29 502	232 373	170 193	402 566	7 742
1975	52	735 532	532 164	1 267 696	24 379	194 319	186 386	380 705	7 321
1976	53	768 481	564 968	1 333 449	25 159	182 554	189 503	372 057	7 020
1977	52	753 195	562 777	1 315 972	25 307	201 445	196 823	398 268	7 659
1978	52	728 370	494 579	1 222 949	23 518	215 550	168 968	384 518	7 395
1979	52								
1978									
January	4	67 488	43 961	111 449	27 862	16 396	14 717	31 113	7 778
February	4	65 029	42 883	107 912	26 978	15 699	14 959	30 658	7 665
March	5	78 044	61 086	139 130	27 826	22 854	19 057	41 911	8 382
April	4	68 388	50 721	119 109	29 777	18 802	16 169	34 971	8 743
May	4	76 240	45 363	121 603	30 401	20 824	16 990	37 814	9 454
June	5	79 262	42 848	122 110	24 422	22 318	17 163	39 481	7 896
July	4	40 644	24 273	64 917	16 229	15 209	12 032	27 241	6 810
August	4	51 205	37 669	88 874	22 219	12 160	9 057	21 217	5 304
September	5	68 540	38 950	107 490	21 498	20 243	13 531	33 774	6 755
October	4	42 418	36 836	79 254	19 814	15 967	10 331	26 298	6 575
November	4	29 216	28 305	57 521	14 380	13 548	10 757	24 305	6 076
December	5	61 896	41 684	103 580	20 716	21 530	14 205	35 735	7 147
1979									
January	4	58 744	33 533	92 277	23 069	20 636	11 401	32 037	8 009
February	4	61 233	38 560	99 793	24 948	21 909	15 565	37 474	9 369
March	5	86 511	46 801	133 312	26 662	29 040	21 341	50 381	10 076
April	4	61 207	35 716	96 923	24 231	20 721	17 320	38 041	9 510
May	4	68 604	36 849	105 453	26 363	21 167	16 630	37 797	9 449
Cumulative:									
Jan-May 78		355 189	244 014	599 203	28 533	94 575	81 892	176 467	8 403
Jan-May 79		336 299	191 459	527 758	25 131	113 473	82 257	195 730	9 320
Percentage change		−5	−22	−12		+20	N/C	+11	

Note: From January 1978, Land-Rover estate vehicles were recorded as commercial vehicles rather than as passenger cars. Figures for 1977 were revised on to this basis. The number of these vehicles in 1977 was 11 848.

Table 2 Production seasonally adjusted

Monthly average — Thousands

	Passenger cars			Commercial vehicles		
	For home market	For export	Total	For home market	For export	Total
1969	74	69	143	22.7	16.1	38.8
1970	77	60	137	22.3	15.8	38.1
1971	86	59	145	22.3	15.7	38.0
1972	109	51	160	22.7	11.3	34.0
1973	95	51	146	21.5	13.2	34.7
1974	78	50	128	19.4	14.2	33.6
1975	61	45	106	16.2	15.5	31.7
1976	64	47	111	15.2	15.8	31.0
1977	63	47	110	16.8	16.4	33.2
1978	61	41	102	18.0	14.1	32.1
1979						
1978						
January	66	45	111	17.6	15.8	33.4
February	69	43	112	15.7	15.0	30.7
March	69	52	121	19.2	16.2	35.4
April	69	48	117	19.7	16.3	36.0
May	64	40	104	19.7	14.9	34.6
June	70	38	108	19.9	14.4	34.3
July	59	37	96	19.2	14.3	33.5
August	65	50	115	17.3	14.0	31.3
September	68	39	107	18.9	13.2	32.1
October	46	37	83	15.4	10.8	26.2
November	28	27	55	12.8	11.6	24.4
December	57	38	95	20.2	12.3	32.5
1979						
January	58	35	93	22.2	12.3	34.5
February	65	39	104	22.1	15.6	37.7
March	72	38	110	23.1	17.2	40.3
April	65	36	101	23.1	18.5	41.6
May	58	32	90	20.1	14.6	34.7

Notes to table 2: The seasonally adjusted series has been adjusted to exclude the effect of regularly recurring influences (eg holidays) but the figures still reflect the effect of factors that do not recur regularly (eg strikes).

Care should be taken not to interpret changes between one month and another as necessarily indicating the underlying trend. The averages in the latest six months and the previous six months give a more reliable guide to recent changes.

Engineering industries: indices of production up to March

Output of the combined engineering industries suffered a modest fall between the fourth quarter of 1978 and the first quarter of 1979. There was a substantial fall in the mechanical engineering sector, a less marked decline in instrument engineering, and a small rise by the electrical engineering industries.

In the mechanical engineering sector output has fallen by substantial amounts in both of the two latest quarters and is presently at a very low level. Instrument engineering after climbing to an historically high level fell back a little in the first quarter of 1979 but new orders for this sector have been buoyant of late and the setback is likely to prove short lived. The electrical engineering sector has been on a strongly rising trend throughout the last two years, and this appears to be continuing.

Within the mechanical engineering sector the first quarter saw good performances from 'mining machinery' (MLH 339.1), where export orders on hand are currently at a very high level, and 'industrial engines' (MLH 334). Performance in the remaining industries in the sector was less satisfactory with large falls registered by the 'textile machinery' (MLH 335), 'construction equipment' (MLH 336), 'weighing machinery and power tools' (MLH 3395/6), 'food processing and packaging machinery' (MLH 3397/8), 'other non-electrical machinery' (MLH 3399) and 'constructional steelwork' (MLH 3414) industries.

The outstanding feature of the instrument engineering sector is the major setback suffered by the 'watches and clocks' industry (MLH 352). The small size of this industry makes the effect upon the sector as a whole not too severe, however, and output changes in the other three industries in the sector were relatively mild.

Within electrical engineering output changes were generally less exaggerated than in the other two sectors. The most impressive performer in this sector has been the 'computers' industry (MLH 366) where a strongly increasing trend has been evident over the past two years and shows little sign of abating. The other noteworthy improvement in the first quarter came from the 'electronic components' industry (MLH 364) which has more than regained ground lost during the previous period.

Inquiries: On the article and the statistics: Miss L. John, Branch EcS3A, Department of Industry, Room 607, Dean Bradley House, 52 Horseferry Road, London SW1P 2AG, tel. 01-212 5770. Requests for quarterly indices for past years: Mr P. Coulson, Branch 5, Central Statistical Office, Great George Street, London SW1P 3AG, tel. 01-233 7239.

Indices of production for engineering industries
Seasonally adjusted volume indices

		1975 = 100				1977			1978				1979	
MLH		Weight (percentage)	1976	1977	1978	2nd qtr	3rd qtr	4th qtr	1st qtr p	2nd qtr p	3rd qtr p	4th qtr p	1st qtr p	Per cent change 1st qtr average on 4th qtr average
3310	Agricultural machinery	1.07	96.6	93.6	89.7	88.8	94.2	92.6	91.7	97.9	83.1	86.1	85.3	−1
3320	Machine tools	2.94	83.3	80.0	81.2	78.9	79.2	79.9	79.9	80.4	82.7	81.7	82.6	+1
3331	Pumps	1.33	107.6	110.9	108.0	110.6	109.9	107.0	109.2	110.3	108.7	103.7	103.7	—
3332	Valves	1.87	91.2	96.3	95.0	89.4	104.2	93.7	94.5	96.4	99.4	89.6	82.3	−8
3333/4	Compressors	1.90	97.9	101.4	100.8	98.0	102.4	105.1	103.7	100.5	102.3	96.6	94.1	−3
3340	Industrial engines	1.54	100.9	109.3	105.9	104.3	108.3	111.4	106.0	110.0	102.7	104.9	116.7	+11
3350	Textile machinery	1.89	69.6	46.7	42.9	44.2	43.4	47.0	41.6	43.8	41.1	45.0	36.2	−20
3360	Construction equipment	2.99	99.1	100.0	91.5	95.2	98.1	95.8	89.8	96.1	89.6	90.5	75.8	−16
3370	Mechanical handling equipment	3.72	90.1	88.0	87.9	89.5	88.2	82.5	85.1	87.6	91.7	87.2	'	
3380	Office machinery	1.25	95.9	97.2	67.6	94.8	96.6	97.6	72.4	71.6	65.2	61.3	'	
3391	Mining machinery	1.54	93.1	87.2	102.0	86.0	86.5	95.5	105.2	99.3	107.0	96.8	109.5	+13
3392	Printing and paper machinery	1.05	86.7	86.6	98.6	85.5	83.9	87.9	85.4	103.8	99.6	105.8	'	
3393/4	Refrigerating and space-heating machinery	2.40	94.6	93.6	95.2	94.5	93.2	89.1	96.0	95.8	94.2	94.9	'	
3395/6	Weighing machinery and power tools	0.75	99.3	101.6	115.2	104.0	93.9	109.1	118.7	108.8	97.7	135.6	120.6	−11
3397/8	Food processing machinery and packaging machinery	1.62	93.6	90.0	88.6	89.5	96.2	82.3	88.0	88.4	90.9	87.3	77.3	−11
3399	Other non-electrical machinery	3.79	96.5	96.5	96.8	93.2	91.0	93.6	100.1	92.8	101.8	92.4	79.9	−14
3414	Constructional steelwork	3.51	93.1	79.0	81.3	78.6	80.2	75.7	77.4	83.4	82.5	82.0	69.6	−15
3415	Industrial plant and fabricated steelwork	9.59	101.9	101.2	101.3	103.3	101.7	99.8	97.7	98.0	108.1	101.4	95.1	−6
3491	Ball, roller and plain bearings	1.76	99.2	97.9	93.5	98.8	95.8	94.8	95.2	96.1	93.4	89.3	93.0	+4
	Other mechanical engineering	7.64	95.6	95.5	97.0	94.2	97.5	94.0	97.6	94.6	98.8	96.9	'	
	Mechanical engineering	54.14	95.1	93.2	92.8	92.2	93.2	91.5	92.0	92.5	94.8	91.9	87.7	−5
3510	Photographic and copying equipment	0.42	99.7	103.1	136.3	105.3	108.3	98.4	129.6	134.6	141.8	139.1	133.0	−4
3520	Watches and clocks	0.51	91.3	90.5	100.5	88.1	96.8	91.2	89.6	97.1	107.0	108.2	85.9	−21
3530	Surgical instruments	1.42	91.5	89.2	88.2	88.4	89.0	88.0	86.3	86.0	90.4	89.9	90.5	+1
3540	Scientific and industrial instruments	4.80	98.4	102.0	107.8	102.4	102.2	103.4	104.5	108.9	107.8	110.2	108.8	−1
	Instrument engineering	7.15	96.6	98.7	105.1	98.7	99.6	99.2	101.3	105.0	106.3	107.7	105.0	−3
3610	Electrical machinery	6.81	97.6	102.1	101.8	101.2	103.9	103.1	108.2	100.1	102.1	96.8	100.9	+4
3620	Wires and cables	2.64	101.6	107.5	104.3	108.0	108.5	103.7	102.6	105.5	103.8	105.2	98.8	−6
3630	Telecommunications	4.62	86.8	72.2	68.1	71.6	73.5	70.9	66.9	70.9	65.7	68.7	'	
3640	Electronic components	5.18	106.6	121.4	132.9	121.3	120.8	123.9	131.9	134.8	135.2	129.7	138.8	+7
3651	Records and tapes	0.59	93.1	95.7	90.0	93.0	88.8	96.3	95.4	108.8	88.8	66.9	'	
3652	Broadcasting equipment	1.73	92.4	89.7	102.3	84.8	95.7	89.4	95.1	111.0	100.0	103.1	102.1	−1
3660	Computers	3.20	103.4	122.4	161.3	117.9	132.0	132.3	144.4	142.1	163.4	195.4	210.8	+8
3670	Electronic capital goods	5.37	104.5	116.0	117.9	113.3	114.2	121.3	116.6	113.8	116.3	125.0	126.5	+1
3680	Domestic electrical appliances	3.10	92.2	93.2	93.3	89.1	92.3	91.4	86.0	96.8	95.9	94.5	'	
3691	Electric parts for vehicles	2.15	97.3	89.7	90.6	97.7	74.9	92.8	97.9	89.6	90.9	84.1	87.4	+4
3692/3	Batteries	1.19	99.2	98.4	108.2	88.8	99.3	104.0	101.7	113.5	111.0	106.7	101.9	−4
3694	Lamps and other electrical	2.14	96.4	98.0	106.0	98.2	98.0	96.1	105.8	107.9	104.8	105.7	101.3	−4
	Electrical engineering	38.71	98.5	102.7	108.2	101.3	103.0	104.4	106.8	107.6	108.3	110.2	112.3	+2
	Combined engineering	100.00	96.5	97.3	99.6	96.2	97.4	97.1	98.4	99.2	100.8	100.1	98.4	−2

' Not available owing to insufficient response. p Provisional.

Average earnings in April and rates of wages in May

Average earnings of employees in Great Britain are estimated to have risen by 13.5 per cent between April 1978 and April 1979. This estimate is based on the monthly index for the whole economy, covering about 21 million employees, introduced from January 1976. Recent figures are given in table 1.

In the production and certain other industries, employing in total about 11 million, and covered by the older series index introduced from January 1963, earnings increased by about 13.5 per cent over the 12 months to April. Recent figures are given in table 2.

Indices of basic rates of wages

At the end of May, nationally negotiated basic weekly rates of wages of manual workers were on average 11.2 per cent higher than a year earlier. During May, the index of basic weekly rates increased from 287.8 to 289.0.

The indices take account only of changes in nationally negotiated rates. The year-on-year increases up to March consequently reflect that national rates for engineering workers remained unchanged from February 1976 until April 1978. No national settlement for these workers has yet been agreed in 1979.

Inquiries: Department of Employment, Orphanage Road, Watford, Herts WD1 1PJ, tel. Watford 28500 ext. 319.

Table 1 **Index of average earnings of employees in Great Britain**

Whole economy (new) series, not seasonally adjusted

	Index Jan 1976 = 100	Percentage increase over 12 months
1978		
March	125.0	10.4
April	127.2	12.4
May	129.4	12.6
June	133.1	15.4
July	133.6	14.2
August	131.7	13.9
September	134.2	15.1
October	135.2	14.7
November	136.1	13.3
December	138.0	13.3
1979		
January	135.7	11.7
February	141.1	15.0
March	143.7	14.9
April p	144.3	13.5

p Provisional.

Table 2 **Index of average earnings in production industries and some services** [1]

Older series

		Seasonally adjusted		
	Index January 1970 = 100	Index January 1970 = 100	Percentage increase over previous month	Percentage increase over previous 12 months
1978				
September	339.6	339.2	1.4	16.2
October	345.6	344.5	1.5	16.5
November	347.9	344.5	0.0	14.4
December	351.2	350.1	1.6	15.1
1979				
January	344.4	344.7	−1.6	12.4
February	354.9	355.6	3.2	14.1
March	372.6	369.3	3.9	17.4
April p	369.9	367.9	−0.4	13.5

p Provisional.

[1] Transport and communication (other than sea transport and postal services) and some miscellaneous services.

Table 3 **Indices of basic rates of wages**

	Indices, 31 July 1972 = 100		Percentage increase over previous 12 months	
	Basic weekly rates	Basic hourly rates	Basic weekly rates	Basic hourly rates
1978				
31 December	274.8	276.5	18.0	18.0
1979				
31 January	282.7	284.5	19.5	19.5
28 February	284.9	286.9	19.8	19.9
31 March	285.8	287.9	19.7	19.8
30 April	287.8	289.9	11.3	11.5
31 May	289.0	291.1	11.2	11.3

Hosiery and other knitted goods: index of production in April

In the three months ended April 1979 the volume of production of hosiery and other knitted goods (including knitted fabrics), seasonally adjusted, was provisionally estimated to have been 9 per cent lower than in the three months ended April 1978.

In using the index numbers shown in the table, it should be borne in mind that, when price increases are large, the various problems associated with constructing a constant value series become more acute. Because of these difficulties the relative accuracy of the estimates is likely to have been reduced in recent years. The actual figures allow for differences in the length of calendar months, but not for other seasonal variations.

Inquiries: 01-212 0017 or 01-212 6474.

Hosiery and other knitted goods, including warp knitting 1975 = 100

			1973	105	
			1974	103	
			1975	100	
			1976	106	
			1977	106	
			1978 p	104	
	Actual	Seasonally adjusted		Actual	Seasonally adjusted
1977					
1st qtr	97	108			
2nd	98	104	April	101	107
3rd	108	107	May	93	103
4th	121	105	June	103	104
1978			July	94	101
1st qtr	93	105	Aug	108	112
2nd	99	104	Sep	120	105
3rd	108	106			
4th p	115	100	Oct p	129	101
			Nov p	126	102
1979			Dec p	92	97
1st qtr	88	98			
			1979		
1978			Jan p	80	95
Jan	88	104	Feb p	92	98
Feb	100	106	Mar p	91	100
Mar	92	105	April p	83	91

p Provisional.

Letters to the editor

Letters to the editor should be addressed to the Editor, *Trade and Industry*, Eleventh Floor, Millbank Tower, Millbank, London SW1P 4QU, and *not* to HMSO.

Production of man-made fibres in April

In the three months ended April 1979 the volume of production of man-made fibres, seasonally adjusted was estimated to have been 9 per cent lower than in the three months ended January 1979. Total production by weight of man-made fibres in April 1979 was 1 per cent more than in April 1978, output of continuous filament increased by 1 per cent and staple fibre increased by 2 per cent.

Inquiries: 01-212 0017 or 01-212 6474.

Man-made fibre production

Thousand metric tonnes

	Total	Continuous filament (singles)	Staple fibre
1968	539.1	241.8	297.4
1969	553.9	252.5	301.5
1970	599.4	257.6	341.9
1971	613.1	276.4	336.7
1972	626.5	264.0	362.5
1973	730.8	305.6	425.3
1974	627.6	271.0	356.6
1975	562.5	246.5	316.0
1976	618.4	270.7	347.7
1977	551.8	239.3	312.5
1978	607.2	240.6	366.6
1976			
1st qtr	159.8	70.0	89.8
2nd	157.5	69.7	87.7
3rd	140.4	62.4	78.0
4th	160.7	68.6	92.1
1977			
1st qtr	154.9	67.2	87.7
2nd	150.8	63.9	86.8
3rd	131.0	55.2	75.8
4th	115.1	53.0	62.1
1978			
1st qtr	150.1	60.6	89.5
2nd	156.2	62.2	94.0
3rd	141.6	56.8	84.8
4th	159.3	61.0	98.3
1979			
1st qtr	147.9	58.0	89.9
1978			
January	44.2	19.1	25.1
February	47.6	19.0	28.7
March	58.2	22.5	35.7
April	48.3	19.1	29.2
May	58.5	22.7	35.8
June	49.3	20.3	29.0
July	45.9	18.8	27.1
August	48.2	19.3	28.9
September	47.5	18.7	28.8
October	57.2	21.1	36.1
November	54.3	22.3	32.0
December	47.9	17.7	30.2
1979			
January	47.1	19.3	27.8
February	47.7	17.6	30.1
March	53.1	21.1	32.0
April	49.0	19.3	29.7

Index of the volume of production 1975 = 100

	1973	129	**1979**		
	1974	111	1st qtr	103	97
	1975	100	**1978**		
	1976	110	Jan	92	94
	1977	98	Feb	107	99
	1978	105	Mar	117	106
			April	102	99
	Actual	Seasonally adjusted	May	118	116
			June	106	98
1977			July	94	96
1st qtr	111	107	Aug	97	115
2nd	107	102	Sept	100	99
3rd	91	97	Oct	114	113
4th	82	85	Nov	116	114
			Dec	96	109
1978			**1979**		
1st qtr	106	100	Jan	97	100
2nd	108	104	Feb	104	96
3rd	97	104	Mar	108	97
4th	109	112	April	103	101

Source: Production stats: Man-made Fibres Producers Committee. Index of production: Department of Industry.

Wool textile industry: output in March

The volume of production in the wool textile industry (as measured by the seasonally-adjusted index of production) in March 1979 was 3 per cent higher than in March 1978. Statistics issued by the Wool Industry Bureau of Statistics show that in March 1979 woven fabrics (excluding blankets) were 1 per cent lower than in March 1978; deliveries of worsted yarns (excluding semi-worsted yarn) were 8 per cent lower. Production of wool and hair tops was 13 per cent less and that of man-made fibre tops was 12 per cent less.

Inquiries: Department of Industry, Room 524, Dean Bradley House, 52 Horseferry Road, London SW1P 2AG, tel. 01-212 0017/ 6474.

Cardigan and scarf by Alan Paine.

Output in the wool textile industry

	Consumption	Production			Deliveries			
	Raw wool (clean weight)	Tops		Woollen yarn [1]	Worsted yarn [2]	Woven fabrics (excluding blankets) [1]		Blankets [3]
		Wool and hair	Man-made fibres			Woollen	Worsted	
	million kg					million sq m		
1968	177.5	96.6	36.4	147.4	98.2	135.8	110.6	27.3
1969	174.5	92.0	42.2	142.2	100.5	130.1	109.2	26.9
1970	153.1	79.7	44.6	129.4	97.6	115.5	99.8	24.6
1971	141.2	66.2	36.6	130.7	93.0	101.9	83.9	28.5
1972	152.3	75.1	45.9	130.9	101.6	99.8	83.7	28.8
1973	136.6	62.2	55.9	135.2	100.0	104.0	88.4	30.6
1974	112.6	43.9	54.8	122.5	87.2	92.1	82.6	28.1
1975	110.6	46.8	44.4	112.1	75.5	76.8	74.6	24.7
1976	119.7	56.5	47.2	108.0	80.8	73.6	69.4	22.8
1977	113.5	52.3	45.3	105.7	81.2	78.8	71.3	22.2
1978	109.0	48.6	43.0	105.7	77.6	77.9	66.2	22.0
1976								
1st qtr	31.0	13.8	11.6	29.4	20.6	16.9	18.2	6.5
2nd	30.5	14.5	12.1	27.9	20.3	19.6	16.9	4.4
3rd	27.6	13.4	10.6	23.7	18.2	19.4	16.9	5.2
4th	30.6	14.6	13.0	27.0	21.7	17.9	17.5	6.5
1977								
1st qtr	32.4	15.3	12.6	29.0	23.1	19.6	18.8	6.7
2nd	29.8	13.9	11.9	27.2	20.2	21.1	18.1	4.8
3rd	24.5	11.1	10.4	23.0	17.5	19.7	16.4	4.4
4th	26.8	12.0	10.4	26.5	20.4	18.4	18.0	6.2
1978								
1st qtr	29.5	13.6	10.6	27.7	20.8	18.5	17.3	5.8
2nd	28.4	12.8	10.8	27.2	19.6	21.6	16.8	4.8
3rd	24.1	10.8	10.3	23.4	17.9	19.1	15.8	5.0
4th	27.0	11.4	11.3	27.4	19.3	18.7	16.3	6.4
1979								
1st qtr		11.9	9.3	29.0	19.6	19.0	16.3	5.3
1978								
January	9.7	4.5	3.0	9.3	6.9	6.0	5.8	2.2
February	9.5	4.5	3.1	8.8	6.7	5.9	6.0	1.5
March	10.3	4.6	4.5	9.6	7.2	6.6	5.5	2.1
April	9.7	4.4	3.2	9.2	6.9	6.8	5.5	1.8
May	9.3	4.2	4.1	8.8	6.4	6.9	5.4	1.5
June	9.4	4.2	3.5	9.2	6.3	7.9	5.9	1.5
July	7.8	4.1	3.9	6.6	5.3	6.3	5.0	1.3
August	7.3	2.7	2.4	8.2	6.0	5.9	5.1	1.6
September	9.0	4.0	4.0	8.6	6.6	6.9	5.7	2.1
October	9.1	3.8	4.2	9.7	7.5	6.8	5.9	2.1
November	10.2	4.4	3.6	10.5	7.0	6.8	6.0	2.0
December	7.7	3.2	3.5	7.2	4.8	5.1	4.4	2.3
1979								
January	9.0	3.7	2.2	9.2	6.4	6.0	5.5	1.6
February		3.7	3.3	9.4	6.3	6.0	5.0	1.8
March		4.5	3.8	10.4	6.9	7.0	5.8	1.9

Notes to table
[1] Estimated. [2] From January 1969 includes semi-worsted yarn: previously yarn of this type was not separately distinguished and the small quantities involved were divided between the worsted yarn headings. In March deliveries of semi-worsted yarn were 0.9 million kg. [3] Woven woollen fabrics include fabrics which are mainly woollen by weight of components and, similarly, woven worsted fabrics include fabrics which are mainly worsted by weight of components.

Gdp rises 3 per cent in 12 months

Gross domestic product for the year ended 31 March 1979 was 3 per cent higher than in the preceding 12 months. Consumers' expenditure, which rose by 5¼ per cent, provided the main impetus to the growth in demand between the two years.

Effect of weather and disputes
Provisional estimates indicate that gross domestic product fell by about 1 per cent between the fourth quarter of 1978 and the first quarter of 1979, largely as a result of bad weather and industrial disputes.

Cotton industry: production in April

Statistics issued by the Textile Statistics Bureau show that in April 1979 the amount of cloth woven was 1 per cent higher than in April 1978. Production of single yarn decreased by 1 per cent and doubled yarn decreased by 5 per cent.

Inquiries: Department of Industry, Room 524, Dean Bradley House, 52 Horseferry Road, London SW1P 2AG, tel. 01-212 0017/ 6474.

Production in the cotton industry

Annual totals and weekly averages

	Single yarn [1]		Doubled yarn		Woven cloth	
	Cotton yarn [2]	Spun man-made yarns and mixture yarn, inc. waste	Cotton yarn	Other	Cotton	Man-made fibre and mixtures
	million kg				million m	
1968	171.2	67.5	49.9	52.0	668.2	507.3
1969	166.2	73.2	46.8	60.9	661.5	538.1
1970	158.7	77.4	43.2	57.3	627.6	484.3
1971	133.0	83.3		85.0	559.1	479.8
1972	121.4	81.7		75.4	513.0	469.8
1973	115.4	92.5		82.1	453.2	502.3
1974	101.3	87.7		74.7	409.5	505.3
1975	94.4	76.4		68.4	405.4	503.0
1976	106.9	76.1		69.4	374.5	492.9
1977	98.1	77.6		69.8	368.3	497.5
1978	91.3	75.8		60.6	380.0	458.4
1978						
Jan	2.0	1.5		1.3	7.7	10.0
Feb	2.0	1.6		1.3	8.0	10.0
Mar [3]	1.6	1.2		1.1	6.8	8.2
Apr	2.0	1.6		1.3	8.2	9.4
May [3]	1.8	1.6		1.2	7.5	8.7
Jun	1.4	1.3		1.0	8.2	8.8
July	1.6	1.3		1.1	4.6	6.6
August [3]	1.8	1.6		1.2	7.9	8.6
Sep	1.5	1.3		1.0	6.5	8.2
Oct	1.9	1.7		1.3	8.0	10.0
Nov [3]	2.0	1.7		1.3	8.0	9.7
Dec	1.4	1.2		1.0	5.9	7.6
1979						
Jan [3]	1.8	1.4		1.1	7.5	9.3
Feb	2.0	1.5		1.3	8.0	10.2
Mar	2.0	1.6		1.3	8.2	10.4
Apr	1.5	1.3		1.0	6.4	8.7

[1] Spun in cotton industry. [2] Including yarns wholly of cotton waste and mixture yarn of cotton and cotton waste. [3] Average of five weeks.

Footwear industry: orders, deliveries and stocks in March

In the three months ended March 1979 deliveries in the footwear industry were estimated to be 3 per cent lower on a seasonally adjusted pairage basis than in the three months ended December 1978. Net new orders were 11 per cent higher than in the previous three months, while at the end of March orders-on-hand were 9 per cent higher than those in December 1978. The index of output in the three months ended March 1979 was 3 per cent lower than in the three months ended December 1978.

Detailed breakdown

A detailed breakdown of manufacturers' deliveries by type of footwear in pairage and value terms, together with figures of exports, imports, consumers' expenditure, prices and employment is published in the Business Monitor production series under the reference PQ 450.

The index of output is calculated from the value of total sales and work done by firms classified to the footwear industry (minimum list heading 450 of the standard industrial classification). In using the index numbers, it should be borne in mind that when price increases are large the various problems associated with constructing a constant price value series become more acute. Because of these difficulties the relative accuracy of the estimates is likely to have been reduced in recent years.

Data on pairage

The data shown on pairage and value relate to complete footwear only sold by manufacturers classified to MLH 450 and to other industries (eg rubber) in the SIC, employing 25 or more persons.

Inquiries: 01-212 6787.

Index of output: orders on hand, new orders, deliveries and stocks of complete footwear

Monthly averages or monthly totals

	Index of output 1975 = 100	Orders-on-hand (end period)		Net new orders			Deliveries			Stocks (end period)
		Million pairs	£m	Million pairs		£m	Million pairs		£m	Million pairs
1968		41.6		17.3			17.0			
1969		34.6		15.9			16.5			
1970		38.9		16.6			16.2			
1971		32.5	55.7	15.7			16.2		23.8	19.4
1972		29.5	59.6	15.2		24.8	15.4		24.5	18.5
1973	107	46.2	85.2	17.1		30.5	15.7		28.4	16.5
1974	105	44.3	79.5	14.3		30.9	14.4		31.3	18.0
1975	100	38.8	91.8	13.2		36.2	13.7		35.1	15.8
1976	99	46.8	132.9	13.7		42.8	13.1		39.4	14.4
1977	104	44.4	141.2	13.1		48.8	13.3		48.1	16.0
1978 p	103	47.5	169.8	13.3		56.6	13.3		54.2	18.5
		Season-ally adjusted	Actual	Actual	Actual	Season-ally adjusted	Actual	Actual	Season-ally adjusted	Actual	Actual
1977 1st qtr	104	56.9	139.5	17.0	15.6	50.7	13.6	13.4	48.5	14.7
2nd	105	56.2	151.7	12.3	12.2	47.1	12.5	13.5	43.0	17.2
3rd	103	47.4	110.0	10.3	12.9	35.7	13.3	13.1	49.5	14.1
4th	105	44.4	141.2	12.7	12.5	61.7	13.7	13.4	51.3	16.0
1978 1st qtr	100	60.8	156.3	18.5	16.8	58.7	13.0	12.7	53.6	17.2
2nd	103	65.7	178.2	14.1	14.4	57.3	12.4	13.5	50.0	21.2
3rd	107	50.0	144.7	8.1	9.3	45.2	13.3	13.4	56.3	17.9
4th p	102	47.5	169.8	12.5	11.6	65.4	13.3	12.9	57.1	17.6
1979 1st qtr p	102	51.7	177.6	14.3	13.0	63.6	12.9	12.6	61.0	17.3
1977 January	102	51.1	132.5	16.1	17.6	40.9	11.7	13.0	41.3	
February	104	53.5	135.5	16.2	14.9	52.1	13.8	13.5	49.0	
March	105	56.9	139.5	18.8	14.3	59.1	15.4	13.8	55.2	
April	101	59.1	151.0	14.0	12.8	51.3	11.7	13.2	39.7	
May	112	61.2	161.4	15.5	13.4	55.5	13.4	14.2	45.1	
June	104	56.2	151.7	7.3	10.4	34.6	12.4	13.1	44.3	
July	99	53.5	135.1	9.0	17.0	25.5	11.7	13.0	42.1	
August	106	47.0	123.4	6.4	8.6	36.4	12.9	13.4	48.0	
September	103	47.4	110.0	15.6	13.2	45.1	15.3	13.0	58.4	
October	105	44.3	127.9	12.1	9.3	74.1	15.2	13.3	56.2	
November	106	41.0	133.9	11.5	10.4	61.3	14.7	13.2	55.3	
December	104	44.4	141.2	14.6	17.9	49.8	11.3	13.7	42.5	
1978 January	100	54.5	140.2	22.2	23.0	47.8	12.1	12.8	48.7	
February	99	55.6	141.9	14.0	12.9	55.1	12.9	12.6	53.4	
March	102	60.8	156.3	19.2	14.6	73.2	14.1	12.6	58.7	
April	105	56.8	164.7	8.2	7.9	57.0	12.1	14.4	48.6	
May	100	67.0	185.5	22.1	18.3	69.8	12.0	12.1	49.0	
June	105	65.7	178.2	12.0	17.0	45.2	13.2	13.9	52.5	
July	106	55.5	151.8	1.7	3.2	23.7	11.9	13.4	50.1	
August	113	52.3	145.7	10.5	14.0	51.3	13.6	14.1	57.4	
September	101	50.0	144.7	12.2	10.7	60.5	14.5	12.8	61.5	
October p	107	47.8	153.4	12.9	9.4	75.1	15.1	12.6	66.5	
November p	104	49.7	173.5	16.7	15.4	80.1	14.8	13.3	60.0	
December p	103	47.5	169.8	7.9	10.0	41.0	10.1	12.9	44.7	
1979 January	99	50.5	161.3	15.2	15.3	46.5	12.2	12.3	55.0	
February	101	50.0	162.2	11.5	10.7	60.8	12.1	11.8	59.9	
March p	106	51.7	177.6	16.3	12.9	83.5	14.5	13.6	68.1	

[1] Based on early returns, seasonally adjusted deliveries in April are expected to be 12 million pairs (unadjusted deliveries 11 million pairs). p Provisional.

Wholesale textile houses: sales and stocks in April

Sales by wholesale textile houses in April showed an increase of 11 per cent on a year earlier, compared with an increase of 5 per cent in February and an increase of 13 per cent in March.

The value of stocks at the end of April showed an increase of 21 per cent compared with the same period last year.

Inquiries. These statistics are prepared by Textile Distributors' Association. Inquiries should be addressed to the Secretary, Textile Distributors' Association, 3 Berners Street, London W1P 4JP, tel. 01-580 2902.

Table 1 **Textiles: wholesale sales and stocks**

Index numbers and percentage increase compared with a year earlier — 1950 = 100

	Value of home sales		Value of stocks, end period	
1966	110	−3	..	..
1967	104	−5	..	..
1968	108	4	..	..
1969	103	−5	..	..
1970	107	4	..	..
1971	115	8	..	..
1972	121	5	..	..
1973	134	11	..	..
1974	147	9	..	..
1975	147	1	..	..
1976	146	−1	..	..
1977	149	2	..	..
1978	164	10	..	..
1977 1st quarter	140	5	252	7
2nd quarter	125	−2	224	6
3rd quarter	153	3	214	5
4th quarter	180	2	228	—
1978 1st quarter	144	3	234	−7
2nd quarter	141	13	222	−1
3rd quarter	179	17	234	10
4th quarter	192	7	275	20
1979 1st quarter	157	9	280	20
1978 April	138	−1	211	−8
May	148	15	231	−4
June	138	28	222	−1
July	133	12	240	1
August	183	29	239	5
September	221	11	234	10
October	230	15	233	10
November	184	13	277	13
December	161	−8	275	20
1979 January	98	8	247	16
February	157	5	256	14
March	216	13	280	20
April	152	11	255	21

Table 2 Analysis by department

Percentage increase compared with a year earlier

	Sales		Stocks [2]
	Apr 1979	Jan-Apr 1979	Apr 1979
Women's knitted outerwear, blouses and skirts	44	30	17
Women's coats, costumes, furs and raincoats	31	22	−7
Women's underwear	23	2	17
Women's hose and children's socks	14	5	21
Haberdashery, ribbons and wool	−4	4	24
Children's wear	21	−3	−6
Men's and boys' ready made clothing and overalls	12	10	31
Gloves	9	8	−9
Piece-goods and nets	−54	−44	19
Household textiles	8	7	28
Floor coverings, furniture and hardware	7	9	25
Boots and shoes	7	20	−2
Total [1]	11	9	21

[1] Including some items not included among the sub-headings.
[2] Values at cost.

Economic statistics to be published in July

The information below is issued by the Central Statistical Office on behalf of the Government Statistical Service and other organisations as a guide to the dates of publication of major economic series in July 1979. The dates are those which departments, or other organisations concerned, are aiming at, and would normally expect to meet. Exceptionally, there may be a delay resulting from unavoidable statistical problems of collection and compilation. Further inquiries about individual series should be addressed to the source named.

Publication date and series	Method of release	Source
July		
2 Mon		
CBI monthly trends inquiry (June)	PN	CBI
Retail sales (May – final)	PN	Department of Trade
Hire purchase and other instalment credit business (May)	PN	Department of Trade
3 Tues		
UK official reserves (June)	PN	Treasury
Capital issues and redemptions (during the month of June)	PN	Bank of England
5 Thurs		
Housing starts and completions (May)	PN	Department of the Environment
6 Fri		
Gross domestic product; personal income, expenditure and saving (1st qtr)	PN	CSO
Construction – output (1st qtr) [1]	PN	Department of the Environment
9 Mon		
Wholesale price index numbers (June – prov)	PN	Department of Industry
10 Tues		
Central government transactions (including borrowing requirement) June)	PN	Treasury
UK banks' eligible liabilities, reserve assets, reserve ratios and special deposits (mid-June)	PN	Bank of England
London clearing banks' monthly statement (mid-June)	PN	CLCB
Provisional figures of vehicle production (June)	PN	Department of Industry
11 Wed		
Construction – new orders (March and April) [1]	PN	Department of the Environment
13 Fri		
Balance of payments current account and overseas trade figures (June)	PN	Department of Trade/ CSO
Retail prices index (June)	PN	Department of Employment
Index of industrial production (May – prov)	PN	CSO
Building societies' receipts and loans (June)	PN	BSA
Usable steel production (June)	PN	BSC/BISPA
16 Mon		
Retail sales (June – prov)	PN	Department of Trade
18 Wed		
Cyclical indicators for the UK economy (June)	PN	CSO
Basic rates of wages and normal weekly hours (June); Monthly index of average earnings (May)	PN	Department of Employment
19 Thurs		
UK banks' assets and liabilities and the money stock (mid-June)	PN	Bank of England
Consumers' expenditure (2nd qtr – 1st preliminary estimate)	PN	CSO
London dollar and sterling certificates of deposit (mid-June)	PN	Bank of England
20 Fri		
Sales and orders in the engineering industries (April)	*Trade and Industry*	Department of Industry
22 Sun		
Department for National Savings monthly progress report (June)	PN	Department for National Savings
23 Mon		
Industrial and commercial companies: appropriation account, net acquisition of financial assets and net borrowing requirements (1st qtr)	PN	CSO
New vehicle registrations (June)	PN	Department of Transport
24 Tues		
Unemployment (July – prov); Unfilled vacancies (July – prov)	PN	Department of Employment
Bricks and cement production (June)	PN	Department of the Environment
25 Wed		
Construction – new orders (May) [1]	PN	Department of the Environment
26 Thurs		
Unemployment (June – final); Quarterly estimates of employees in employment (Mar); Employment in the production industries (May); Overtime and short-time working in manufacturing industries (May); Stoppages of work due to industrial disputes (June)	*Gazette*	Department of Employment
Institutional investment (1st qtr)	PN	CSO
Energy Trends	PN	Department of Energy
31 Tues		
CBI industrial trends survey (July)	PN	CBI

[1] The release of these series could be delayed by the effects of earlier industrial action. PN Press notice.

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The British Film Fund (the 'Eady' levy) distribution

Provisional distributions made by the British Film Fund Agency for the period ended 8 April 1979 [1]:

Title of film	Date of registration	Provisional payment (£)	Payee [2]
High cost films [3]			
Watership Down	22.9.78	38 561	Cinema International Corporation (UK)
Confessions Of A Driving Instructor	21.7.76	4 696	Columbia Pictures Corporation Ltd
Confessions Of A Window Cleaner	28.8.74	4 691	Columbia Pictures Corporation Ltd
Force 10 From Navarone	6.12.78	5 222	Columbia Pictures Corporation Ltd
Midnight Express	21.7.78	27 939	Columbia Pictures Corporation Ltd
Sinbad And The Eye Of The Tiger	23.6.77	100	Columbia Pictures Corporation Ltd
Born To Run	16.9.77	551	Walt Disney Productions Ltd
Candleshoe	8.2.78	272	Walt Disney Productions Ltd
Escape From The Dark	1.6.76	261	Walt Disney Productions Ltd
Ride A Wild Pony	28.10.76	127	Walt Disney Productions Ltd
Death On The Nile	28.9.78	13 864	EMI Films Ltd
Sweeney	6.1.77	118	EMI Films Ltd
Sweeney 2	17.4.78	584	EMI Films Ltd
Warlords Of Atlantis	14.6.78	1 271	EMI Films Ltd
Stevie	30.10.78	263	Enterprise Pictures Ltd
Carry On Emmanuelle	21.11.78	908	Hemdale International Films Ltd
Hound Of The Baskervilles	30.10.78	782	Hemdale International Films Ltd
Tommy	15.4.75	1 540	Hemdale International Films Ltd
International Velvet	19.7.78	170	Peerford Ltd
Monty Python And The Holy Grail	2.4.75	8 724	National Film Trustee Co Ltd
The Legacy	22.9.78	290	Pethurst Ltd
The Adventures Of Sherlock Holmes' Smarter Brother	7.1.76	172	Rank Film Distributors Ltd
The Ghoul	28.5.75	682	Rank Film Distributors Ltd
Legend Of The Werewolf	30.10.75	682	Rank Film Distributors Ltd
Tarka The Otter	26.1.79	4 522	Rank Film Distributors Ltd
The Thirty Nine Steps	20.11.78	19 766	Rank Film Distributors Ltd
The Wild Geese	5.7.78	1 505	Rank Film Distributors Ltd
Cruel Passion	17.2.78	168	Target International Pictures Ltd
The First Great Train Robbery	20.12.78	3 853	United Artists Corporation Ltd
Revenge Of The Pink Panther	13.7.78	342	United Artists Corporation Ltd
The Spy Who Loved Me	6.7.77	528	United Artists Corporation Ltd
Superman	13.12.78	66 033	Warner Bros Distributors Ltd
Low cost films [4]			
What's Up Nurse	11.5.77	791	Blackwater Film Productions Ltd
What's Up Superdoc	21.9.78	2 102	Blackwater Film Productions Ltd
A Lustful Lady	26.6.78	222	Border Film Productions (London) Ltd
Romance With A Double Bass	22.8.75	115	Cinema International Corporation (UK)
The Deadly Females	24.11.76	399	Donwin Productions Ltd
Nasty Nastase	18.7.74	126	EMI Films Ltd
House Of Whipcord	23.4.74	139	Miracle Films Ltd
Nighthawks	20.3.79	15 000	Nashburgh Ltd
I'm Not Feeling Myself Tonight	4.3.76	7 560	New Realm Distributors Ltd
Mr Smith	30.7.76	200	New Realm Distributors Ltd
The Brute	7.11.77	235	Rank Film Distributors Ltd
Erotic Inferno/ Adam And Nicole	20.5.75	301	Reynoldstown Ltd
Let Us Play Sex/ The Intruder	1.6.76	113	Reynoldstown Ltd
Killer's Moon	8.11.78	3 773	Rothernorth Ltd
Exposé	4.3.76	192	Target International Pictures Ltd
Hardcore	7.3.77	205	Target International Pictures Ltd
Penelope Pulls It Off	30.12.75	304	Target International Pictures Ltd
The Pornbrokers	3.9.73	716	Target International Pictures Ltd
Come Play With Me	25.3.77	3 339	Tigon Film Distributors Ltd
Intimate Games	21.4.76	125	Tigon Films Distributors Ltd
The Playbirds	19.6.78	2 596	Tigon Film Distributors Ltd
Sextet	6.8.76	296	Watchgrove Ltd
Short Films [5]			
Think Of An Answer	24.2.79	209	Harold Baim Investments Ltd
Reserved For Animals	31.10.74	338	Harold Baim Presentations Ltd
Christmas Tree	19.12.75	306	The Black and White Colour Film Co Ltd
The Morning Spider	25.3.77	480	The Black and White Colour Film Co Ltd
Highways And Byways	8.2.78	452	Carrickford Productions Ltd
Beyond The Sound Barrier	6.4.78	1 535	Cinema International Corporation (UK)
Cruisin'	27.5.77	1 133	Cinema International Corporation (UK)
Dog Days	5.8.77	1 733	Cinema International Corporation (UK)
Echoes	23.2.78	245	Cinema International Corporation (UK)
French Leave	28.3.77	265	Cinema International Corporation (UK)
Harvest	6.9.78	318	Cinema International Corporation (UK)
Hot Wheels	5.9.78	2 039	Cinema International Corporation (UK)
Iron Men	30.8.78	4 901	Cinema International Corporation (UK)
The Long White Trail	25.6.74	264	Cinema International Corporation (UK)
Marine Merchants	11.5.76	1 361	Cinema International Corporation (UK)
Queen At The Rainbow	5.2.76	2 342	Cinema International Corporation (UK)
Revolutions in Fast Circles	29.7.76	498	Cinema International Corporation (UK)
Sailorman	10.11.76	1 972	Cinema International Corporation (UK)
Walk On	15.5.78	1 301	Cinema International Corporation (UK)
Wednesday Country	25.9.75	150	Cinema International Corporation (UK)
What'll You Have	7.10.77	566	Cinema International Corporation (UK)
Footsteps	28.10.74	134	EMI Films Ltd
The Model Look	20.7.77	160	EMI Films Ltd
Sea Area Forties	2.4.76	233	EMI Films Ltd
A Pride Of Penguins	23.2.77	444	Films of Scotland
Tayside	31.12.74	146	Films of Scotland
Dawnbreakers	2.1.76	230	Hemdale International Films Ltd
A Matter Of Taste	28.6.77	192	Polonius Film Services
The Meeting Place	19.12.77	312	Polonius Film Services
Romantic Journey	25.8.77	251	Polonius Film Services
Bon Bini Welcome	4.10.76	203	Queensway Promotions Ltd
California Triple	21.8.78	494	Queensway Promotions Ltd
City Of Angels	28.6.77	733	Queensway Promotions Ltd
Don't Call It Frisco	18.12.78	8 697	Queensway Promotions Ltd
Golden Gate	27.10.75	154	Queensway Promotions Ltd
Good Health	3.11.78	1 513	Queensway Promotions Ltd
Good Olde England	29.11.77	139	Queensway Promotions Ltd
Great Adventure	19.12.77	364	Queensway Promotions Ltd
Guards On Parade	7.12.78	320	Queensway Promotions Ltd
Guns At The Wood	8.12.75	661	Queensway Promotions Ltd
Haiti	25.8.77	605	Queensway Promotions Ltd
Highway 5	29.11.77	492	Queensway Promotions Ltd
Hollywood	24.12.76	165	Queensway Promotions Ltd
The Italian Taste	21.8.78	675	Queensway Promotions Ltd
Sabre 226	31.3.78	229	Queensway Promotions Ltd
Sea The Caribbean	13.4.76	154	Queensway Promotions Ltd
Sea World	19.12.77	1 303	Queensway Promotions Ltd
Three Jewels	5.7.77	354	Queensway Promotions Ltd
Time On Your Hands	16.3.79	2 906	Queensway Promotions Ltd
Two Man Made Wonders	19.3.75	143	Queensway Promotions Ltd
Vintage Italiana	31.3.78	384	Queensway Promotions Ltd
Viva Verona	1 2 79	918	Queensway Promotions Ltd
Yellow Rose	27.10.75	321	Queensway Promotions Ltd
Yep And Nope	18.6.75	310	Queensway Promotions Ltd
Captain Scott Goes East	24.8.78	694	Rank Film Distributors Ltd
Columbus Link	5.2.79	5 237	Rank Film Distributors Ltd
The Great Pram Race	1 2 78	759	Rank Film Distributors Ltd
Happy To Meet	8.8.75	1 232	Rank Film Distributors Ltd
Red	24.1.79	11 613	Rank Film Distributors Ltd
The End Of The Road	26.9.77	126	United Artists Corporation Ltd
The Speed Sailors	24.5.77	109	United Artists Corporation Ltd
When You Want One You Can't Find One	17.10.75	103	Kit Williams Productions Ltd
John And The Magic Music Man	15.10.76	118	RSTC, ROSC Ltd

Notes

[1] Excludes all films earning less than £100 in the current period and all newsreels. Details of these films will be shown in the annual tables. [2] The payee in either the maker or the assignee of the maker's rights, or a person nominated to receive payments on behalf of the maker or his assignee. [3] Long films (ie films with a running time of 33⅓ minutes and over) the labour cost of which exceed £50,000. [4] Long films, the labour costs of which do not exceed £50,000. [5] Films with a running time of less than 33⅓ minutes.

Patents recorded 'licences of right'

Under section 46 of the Patents Act 1977 the register was noted 'licences of right' in respect of the following patents on the date specified:

12 June 1979

1345799 Standard Telephones and Cables Ltd
Improvements in or relating to electrical push button arrays
1404078 Standard Telephones and Cables Ltd
Improvements in or relating to electronic switching circuits
1444804 Standard Telephones and Cables Ltd
Improvements in or relating to telecommunication systems

1473898 Standard Telephones and Cables Ltd
Improvements in or relating to data transmission systems
1508423 Standard Telephones and Cables Ltd
Control circuit for power supply
1513248 Standard Telephones and Cables Ltd
Improvements relating to electro-acoustic-transducers
1440250 International Standard Electric Corporation
Snap-acting device
1462906 International Standard Electric Corporation
Adapter
1478254 International Standard Electric Corporation
Test sender circuit for telecommunications exchanges
1482819 International Standard Electric Corporation
Addressing device for a program stored data processing system
1105025 Marcello Vittorio Pollio
Improvements in coving
1434610 Georges Moatti
Self-cleaning filter
1454538 Licentia Patent Verwaltungs GmbH
Arrangements for digitizing the bearing voltages of a multi-channel direction finder
1467804 Geoffry Lamb (Consultants) Ltd
Improvements relating to blow tubes for the manufacture of foundry cores and other articles of granular or powdered material
1468767 Societe Anonyme Automobiles Citroen
Hydraulically Controlled braking installation in a vehicle
1524177 Italsider SpA
A method of inhibiting the propagation of cracks in gaslines

Any person who claims that the proprietor of the patent is, and was at the time of entry, precluded by a contract in which the claimant is interested from granting licences under the patent may, within three months after the making of the relevant entry, apply to the Comptroller on patents form 31/77 for cancellation of the entry.

I. J. G. Davis, Comptroller

AMENDMENTS TO THE REGISTER
The playing time of the film 'Nosferatu' (EC 40069/9/6/84), registered on 8 June, has been amended to 107 minutes or 96 minutes.
The registration number of the film 'Wifemistress', registered on 25 April, has been amended to EC 40018/28/4/84.

Registrations of British, community and foreign films

The following are details of films registered by the Department of Trade under the Films Acts 1960 to 1970, as amended by the European Communities Act 1972, during the week ended Friday 22 June 1979.

BR/E indicates that the film is a British quota film, EC that the film is a quota film. The date which forms part of the registration number of each is the date on which quota life of the film expires.

Title of film	Registered no.	Playing time minutes	Date of registration	Registered in the name of	Maker's name
BRITISH					
Review No. 11 (32nd year)	BR/E 40082/23/6/84	10	18 June	Data Film Distributors Ltd	The National Coal Board
Jet Set Jester	BR/E 40084/23/6/84	24	19 June	Cinema International Corporation (UK)	Newborn Films Ltd
Chicane	BR/E 40088/23/6/84	32	20 June	Brent Walker Film Distributors Ltd	Limehouse Films
End Of Term	BR/E 40089/23/6/84	34	21 June	Oppidan Entertainments Ltd	Oppidan Entertainments Ltd
That Summer	BR/E 40090/23/6/84	94	21 June	Columbia-EMI-Warner Distributors Ltd	Film and General Productions Ltd
Confessions From The David Galaxy Affair	BR/E 40091/23/6/84	96	21 June	Tigon Film Distributors Ltd	Roldvale Ltd
Alien	BR/E 40094/23/6/84	113	22 June	Twentieth Century-Fox Film Co Ltd	Twentieth Century-Fox Productions Ltd
COMMUNITY					
The Left-Handed Woman	EC 40086/23/6/84	113	20 June	Artificial Eye Film Co Ltd	Road Movies Film-Production GmbH, Berlin and Wim Wenders Production, Munich
FOREIGN					
Eraserhead	F 40081	90	18 June	Mainline Pictures	American Film Institute, Washington
Millie Jackson Live	F 40083	35	19 June	Premier Releasing Ltd	CEE Europa Entertainments Ltd, London
Yosemite	F 40085	10	19 June	Cinema International Corporation (UK)	Universal Pictures, California
The Kids Are Alright	F 40087	100	20 June	Brent Walker Film Distributors Ltd	Sidney Rose Productions Ltd, Iver Heath, Bucks
Billion Dollar Threat	F 40092	97	22 June	Columbia-EMI-Warner Distributors Ltd	David Gerber Productions, Columbia Pictures, California
Avalanche Express	F 40093	88	22 June	Twentieth Century-Fox Film Co Ltd	Lorimar Productions Inc, New York

Index to statistics published regularly in 'Trade and Industry'

(a) annually (m) monthly (q) quarterly Weekly statistics are not included

Aerospace cost indices (m) 8 Jun 79
Air transport trade by air (a) 25 Aug 78
Balance of payments current account (m) page 594
summary (q) 30 Mar 79
overseas royalties 12 Aug 77
trends in invisibles 6 Apr 79
see also Overseas trade of the UK
Business names and limited partnerships (a) 23 Mar 79
Capital expenditure manufacturing, distributive and service industries (q) 30 Mar 79
provisional (q) 1 Jun 79
by regions 18 Feb 77
leasing, hiring and renting out (a) 29 Sep 78
see also Investment
Catering trades turnover (q) 25 May 79
Check trading (a) 18 May 79
Chemicals industry activity (q) 27 Apr 79
Companies acquisitions and mergers (q) 11 May 79
analysis of accounts (q) 7 Jul 78
insolvencies (q) 4 May 79
liquidity (q) 8 June 79
new registrations: Gt. Britain (m) 2 Mar 79
N. Ireland (m) 1 Jun 79
rate of return on capital (a) 22 Sep 78
structure of company financing (a) 16 Feb 79
Construction industry housing report (m) 16 Mar 79
orders (m) 30 Mar 79
output and employment (q) 23 Mar 79
private enterprise housebuilding (m) page 603
work overseas (a) 20 Oct 78
Consumers' expenditure (q) 4 May 79
Depositors, protection of, Act (q) 20 Apr 79
Earnings, wage rates (m) page 606
Energy trends 15 June 79
Engineering industries electrical engineering (q) 20 Apr 79
instrument engineering (a) 6 Apr 79
production indices (m) page 605
sales and orders (m) 22 June 79
Film industry British Film Fund Agency returns (m) 22 June 79
British Film Fund distributions page 610
cinema admissions and takings (m) 25 May 79
annual inquiry (a) 25 Aug 78
exhibitors' quota returns (a) 4 May 79
overseas payments and earnings (a) 25 Aug 78
registrations of films (a) 23 Feb 79
Food consumption levels (twice a year) 29 Sep 78
household consumption (q) 23 Mar 79
Footwear industry deliveries and stocks (m) page 608
Foreign trade industrial countries' economic indicators (m) 1 Jun 79
quarterly analysis (q) 1 Jun 79
see also Overseas trade of the UK
Furniture deliveries and orders (m) 15 June 79
Gross domestic product (q) page 607
Health and safety 11 Aug 78
Hire purchase business (m) 8 June 79
Housing *see* Construction industry
Industrial production index numbers (m) 22 June 79
Scotland (q) 26 Jan 79
Wales (q) 11 May 79
Insurance companies authorisations and revocations (m) 15 June 79
investment (q) page 602
investments and assets (a) 10 Nov 78
Investment book values of overseas direct investment 23 Mar 79
industry's investment intentions (3 times a year) 8 June 79
10-year review (a) 27 Oct 78
investment and earnings overseas (a) 9 June 78
see also Capital expenditure, insurance companies, and pension funds
Land and building sales (a) 11 May 79
Made-up clothing orders and deliveries (m) 8 June 79
Man-made fibres deliveries (q) 2 Mar 79
production (m) page 606
quarterly analysis (q) 2 Mar 79
Metal-working machine tools (m) 8 June 79
Moneylenders Acts (q) 20 Apr 79
Motor industry car and commercial vehicle production (m) page 604
provisional (m) 15 June 79
motor trade turnover (q) 8 June 79
Office development permits (q) 8 June 79
Official reserves (m) 11 May 79
Overseas trade of the UK analysis by end-use 15 June 79
analysis by industry (q) 6 Apr 79
analysis of trends (q) 8 Dec 78
direct exporters and credit terms (a) 21 Jul 78
export prospects (q) 22 June 79
import penetration (q) page 600
invoicing in foreign currencies 8 June 79
performance 1963-1978 (a) 16 Mar 79
see also Balance of payments
Pension funds investment (q) page 602
investments and assets (a) 10 Nov 78
Price Commission index (m–final) 25 May 79
Regional development grants (q) 18 May 79
Research and development expenditure and employment 6 Apr 79
Restrictive trading agreements (q) 13 Apr 79
Retail prices index (m) 22 June 79
Retail trades inquiry for 1977: provisional results 2 Feb 79
sales (m) 8 June 79
provisional (m) 15 June 79
stocks (m) 15 June 79
Royalties: overseas transactions (a) 8/22 June 79
Securities, particulars of dealers in 8 June 79
Selective financial assistance section 7 (m) 22 June 79
section 7 £10,000 or more (q) 15 June 79
section 8 (q) 16 Mar 79
Shipping nationality of vessels in UK seaborne trade (a) 23 Jun 78
UK revenue (a) 13 Oct 78
Steel consumption and stocks (q) 20 Apr 79
provisional (q) 18 Aug 78
Stocks manufacturers' and distributors' (q) 30 Mar 79
provisional (q) 1 Jun 79
manufacturers' (m) 8 June 79
retail (m) 15 June79
Television overseas payments and earnings (a) 25 Aug 78
Textiles activity in the industry (q) 6 Apr 79
carpet sales (m) 22 June 79
cotton industry production (m) page 607
hosiery production (m) page 606
wholesale houses' sales and stocks (m) page 608
wool output (m) page 607
exports (q) 2 Mar 79
Tourism foreign arrivals (m) 16 Feb 79
overseas travel and tourism (a) 6 Apr 79
overseas travel and tourism (q) 6 Apr 79
Unemployment (m) 1 Jun 79
Unit trusts, particulars of dealers in 18 May 79
Wholesale prices average prices of selected commodities (a) 27 Apr 79
index numbers (m) 22 June 79
initial summary (m) 15 June 79

Organisational information

Commercial representation guide 18 May 79
CRE contact points 25 May 79
Departmental publications (m) 11 May 79
ECGD lines of credit 30 Mar 79
ECGD local offices 6 Apr 79
EEC guide parts 1, 2 and 3 1 Dec, 24 Nov & 8 Dec 78
European public holiday guide (a) 8 Dec 78
Government statistics guide 5 Jan 79
Guide to departments 27 Jan 78
Guide to HM Customs and Excise 18 Aug 78
Guide to schemes of selective financial assistance 19 Jan 79
Index, Jan-Mar 15 June 79
OTAR contact points 15 June 79
Release dates of economic statistics (m) page 609
Trade promotions guide (q) 20 Apr 79

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503	513	523	533	543	553	563	573	583	593	603	613	623	633	643	653	663	673	683	693
504	514	524	534	544	554	564	574	584	594	604	614	624	634	644	654	664	674	684	694
505	515	525	535	545	555	565	575	585	595	605	615	625	635	645	655	665	675	685	695
506	516	526	536	546	556	566	576	586	596	606	616	626	636	646	656	666	676	686	696
507	517	527	537	547	557	567	577	587	597	607	617	627	637	647	657	667	677	687	697
508	518	528	538	548	558	568	578	588	598	608	618	628	638	648	658	668	678	688	698
509	519	529	539	549	559	569	579	589	599	609	619	629	639	649	659	669	679	689	699
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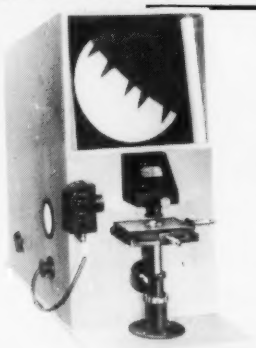

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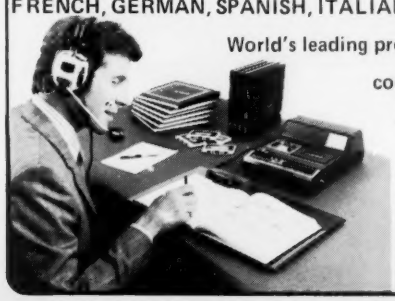

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